



Daily Report

LAST ISSUE

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LAST ISSUE

Central Eurasia

FBIS-SOV-96-166

Monday

26 August 1996

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Daily Report Central Eurasia

FBIS-SOV-96-166

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CIS: ITAR-TASS Carries Press Review for 24 Aug
LD2408053396 Moscow ITAR-TASS in English
0457 GMT 24 Aug 96

[Press Review — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW August 24 (ITAR-TASS) -- KRASNAYA ZVEZDA and TRUD front-page today materials about the agreements on measures for imposing ceasefire and stopping combat operations in the city of Grozny and the Chechen Republic, signed by Secretary of the Security Council Aleksandr Lebed and chief of staff of Chechen separatists Aslan Maskhadov. They are entitled: "We have settled scores with the war, haven't we?" and "Chechnya: shall we really thrust bayonets into the ground?" "The proclamation of peace and the establishment of peace are two different things," KRASNAYA ZVEZDA writes in this connection.

ROSSIYSKIYE VESTI carries an article by Sulim Nasardinov, director of the Institute of Problems of Islamic Civilisation, entitled: "One should rely on traditions and mentality of the Chechen nation in order to pacify it." Nasardinov believes that the conflict in Chechnya cannot be settled without the solution of the main problem — the establishment of harmony in Chechen society itself. In his opinion, the use of traditional institutions of Chechen society is the way to establish peace there.

"The draft budget for 1997 is not adequate to the requirements of the defence system," KRASNAYA ZVEZDA writes, assessing the document, whose conceptual framework was approved on August 22 at the first meeting of the new Russian government. The article was prepared by the information department of the Defence Ministry. KRASNAYA ZVEZDA quotes the words of Defence Minister Igor Rodionov: "The Defence Ministry cannot agree to the figures of defence expenditures, submitted for discussion in the 1997 draft budget."

TRUD carries an article about the professional holiday of coal miners to be observed on August 25. "Coal miners observe the holiday with a mixture of concern and hope. Judging by statistics, the situation in the industry is not so bad. A total of 144.7 million tonnes of coal were produced in the seven months of the current year, which is almost on a par with the 1995 level. Average wages of coal miners amounted to 1.4 million roubles in June. The situation looks quite normal. However, the newspaper continues, strikes do not stop at the mines. The thing is that "coal is shipped, but is not paid for, and wages are calculated, but not paid."

ROSSIYSKAYA GAZETA frontpages President Yeltsin's decree "On conferring government decorations on crew members of the U-76 plane belonging to the Aerostan air company, the Republic of Tatarstan." DOM I OTECHESTVO (Home and Fatherland), supplement to the newspaper, writes in detail about the escape of the Russian pilots from captivity. The article is entitled "One-year-long flight."

ROSSIYSKAYA GAZETA continues to publish materials about new members of the Russian government. Today it carries interviews with Public Health Minister Tatiana Dmitrieva and with Minister for CIS Affairs Aman Tuleev. Tuleev said that the first thing to do should be to find out what should be done for making agreements between CIS republic and Russia work.

CIS: Central Asian Presidents Meet in Almaty
LD2308135596 Moscow Russian Public Television
First Channel Network in Russian
1100 GMT 23 Aug 96

[From the "Novosti" newscast by announcer Aleksandra Buratayeva]

[FBIS Translated Text] Kazakh President Nursultan Nazarbayev is ready to mediate in settling the Tajik conflict. He stated this today in Almaty after a meeting with Tajik President Emomali Rakhmanov. [video shows festivities in progress, meeting of the presidents]

The presidents of Uzbekistan, Kyrgyzstan, and Tajikistan arrived in Almaty today to attend the festivities held to mark the 150th anniversary of the birth of Dzhambul Dzhabayev [Kazakh poet]. Here they held a regular sitting of the inter-state council of the Central Asian Union. Russia and Tajikistan have become members of the union at their request.

The leaders discussed a program for further cooperation aimed at forming a single economic expanse. A Central Asian bank was set up in 1994 for these purposes; it is now financing 12 joint projects. It was decided to bring its authorized capital to \$9 million.

The presidents discussed the situation in Tajikistan today. They are concerned about the actions of the opposition, which have become more active and which is trying to declare an Islamic state in the small area it has seized from the authorities.

Today Nazarbayev sent a letter to Nuri, the leader of the [Tajik] opposition, and Afghan President Rabbani, in which he stated Kazakhstan's interest in the conflict being settled peacefully and the civil war brought to an end. Kazakhstan is ready to be a mediator in settling all the issues. Incidentally, this topic will be discussed at a CIS meeting in Moscow in October.

CIS: Russia, Tajikistan Admitted to Central Asian Union

LD2308170796 Moscow INTERFAX in English
1500 GMT 23 Aug 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [place and date not given] (INTERFAX) — Russia and Tajikistan have been admitted to the Central Asian Union "at their request" as observers, Kazakh President Nursultan Nazarbayev told Interfax Friday, commenting on a regular session of the Central Asian Union's Interstate Council held on the same day. The Central Asian Union comprises Kazakhstan, Uzbekistan and Kyrgyzstan.

Besides Nazarbayev, the session was attended by Uzbek and Kyrgyz presidents Islam Karimov and Askar Akayev, who arrived in Almaty to participate in the celebrations of the 150th anniversary of the birth of Kazakh poet Jambul.

The session was also attended by Tajik President Emomali Rakhmanov.

Nazarbayev told Interfax that the session had discussed a program for the creation of a single economic system of the Central Asian Union's member-states for 1996-97. The decision was taken on the creation of special economic zones in the border regions.

On the same day, Nazarbayev and Rakhmanov met in Almaty.

After the meeting President Nazarbayev told reporters that he was ready to mediate efforts for an inter-Tajik settlement.

The opposition, internal included, is gaining strength in Tajikistan and will spare no expense in its efforts to declare a state of Islamic rule, small as it may be, Nazarbayev said.

Nazarbayev said he had written to Tajik opposition leader Said Abdullo Nuri and Afghanistan's President Borhanoddin Rabbani to voice his country's interest in a negotiated end to the Tajik civil war.

Nazarbayev also said that he will discuss the situation in Tajikistan with Uzbek and Kyrgyz presidents for working out joint constructive proposals on settling the Tajik conflict, which will be submitted to the CIS summit in October.

Baltics: Lithuanian Foreign Minister on Integration Into EU, NATO

LD2408171496 Vilnius Radio Vilnius Network
in Lithuanian 1600 GMT 24 Aug 96

[FBIS Translated Text] A two-day international conference to discuss the issues of the Baltic countries' integration into Europe started in Riga today. The foreign ministers of Lithuania, Latvia, and Estonia are taking part in the conference, together with representatives from other countries of the Baltic Sea region and Central European countries, NATO, the Organization for Security and Cooperation in Europe, and the European Commission.

Addressing the conference, Lithuanian Foreign Minister Povilas Gylys called for more resolute steps on the beginning of negotiations between Lithuania, as well as the other two Baltic countries, on membership in the European Union and NATO. The minister said that the Baltic countries represent an inseparable part of the new Europe, and the aspirations of these countries are identical to those of the Central and Western European states.

Speaking about the integration into the European Union, the Lithuanian minister of foreign affairs said that this process is one of the most important aspects of Lithuania's domestic and foreign policy and represents a logical path of history for the country, which enjoyed its statehood since the 13th century.

Gylys briefed the participants of the conference about Lithuania's steps that bring her closer to the European Union. The European Union should commence negotiations with all candidate countries simultaneously, Gylys said.

Speaking about the issue of joining NATO, the Lithuanian minister said that Lithuania's aspiration to join the alliance is based on the values of freedom, justice, and democracy for all; the historical experience and identity; the geopolitical situation; and the political logic of the European integration process.

Gylys also said that the contribution of the Nordic countries to the process of reforms in Lithuania is very important.

Reviewing issues related to the situation of national minorities, which is considered one of the indicators of democratic development in any country, the Lithuanian minister stressed that Lithuanians have old traditions of tolerance toward the people of other nations, and are proud of these traditions.

**Russia: Official: Russian-U.S. Security Cooperation
'Must Be Equal'**

LD2408143696 Moscow INTERFAX in English
1423 GMT 24 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 24 (Interfax) — Cooperation between Russia and the United States for the strengthening of international security must be equal, Russian First Deputy Defense Minister Andrey Kokoshin told Interfax on Saturday shortly after his meeting with U.S. Senator Richard Lugar.

"This is the key guarantee that such cooperation will be mutually beneficial during a long period of time despite the fact that Russia is now certainly behind the United States in many terms regarding strength and influence," Kokoshin said.

He said he had informed the U.S. senator of Russia's stance concerning "the idea of NATO expansion eastward which is unacceptable for the interests of international security."

"If NATO expansion eastward takes place in some cases, Moscow will have the right not to consider it as conforming with the spirit of the accords reached by Russia and the West during the dismantling of the 'cold war' mechanism," Kokoshin said.

Moscow has the right to maintain such a stance during decades, Kokoshin said, adding that this would not be an exceptional case in the international practice.

"Nevertheless, the sides should do their best in order to prevent the evolution of new confrontation in Europe, in the Euro-Atlantic zone," he said.

All of the economic, political and defense interests of all countries in Central and East Europe, including both those considered as candidates for NATO membership and those obviously not seeking NATO entry anymore, should be taken into account, Kokoshin said.

"The sovereignty of the countries which were formerly part of the Warsaw Pact needs to be ensured fully," he said.

**Russia: U.S. Mulling 'Strong Pressure' on Moscow
Over Chechnya**

MK2408125196 Moscow NEZAVISIMAYA GAZETA
in Russian 24 Aug 96 p 1

[Report by Dmitriy Gornostayev under the general headline: "Bloodshed in Chechnya Has Temporarily Stopped. Aleksandr Lebed and Aslan Maskhadov Hope To Sign New Peace Documents"]

[FBIS Translated Text] The storming of Grozny promised by Gen. Konstantin Pulikovskiy did not come

to pass. Even so, reaction to its preparation from various foreign states clearly demonstrated how sensitive they are to the tough decisions of the Russian authorities. And this in spite of the far-from-democratic actions of a number of the same countries in resolving conflicts on their own territories. Preparations for large-scale combat actions by federal forces in Grozny brought about a squall of statements expressing concern over the intentions of the Russian command and Konstantin Pulikovskiy's ultimatum. The first to react were the foreign departments of the FRG, Great Britain, and France, calling on the sides to resume a political dialogue. Then came statements from the United States, Italy, Turkey, and other countries. The International Committee of the Red Cross and the OSCE also did not remain on the sidelines. Noteworthy in this context is the message sent to Boris Yeltsin by Bill Clinton, as related by White House Spokesman Michael McCurry.

This is perhaps the most serious expression of concern by the U.S. side, at the official level, since the start of the war in Chechnya. According to McCurry, U.S. officials express the hope that Boris Yeltsin will personally come out in favor of a peace settlement. This is attributed to the support that Clinton has always rendered Yeltsin. The gist of all statements by representatives of foreign states and international organizations is this: The storming of Grozny could result in a colossal number of casualties among civilians, and there is no alternative to a political solution of the conflict. According to our sources preparations are under way not only for a quantitative but also for a qualitative attack (ne tolko kolichestvennaya no i kachestvennaya ataka) on the Kremlin. The United States is reportedly considering the possibility of issuing an extremely tough statement with the aim of exerting strong pressure on Moscow.

To all appearances this statement will be made by U.S. Under Secretary of State Strobe Talbott, who will soon visit the Russian capital. According to our sources he has twice met with a group of representatives of U.S. academic circles who are at present dealing with Chechnya. The group includes Paul Goble, who made a name for himself back in Nagorno-Karabakh; Fiona Hill, a U.S. congressional staffer; and Diane Ruazan (name as transliterated), a political scientist. The situation in the United States ahead of the presidential elections is bound to push the administration to make a series of statements on Chechnya, very uncomfortable to the Kremlin. After all, Republican presidential candidate Bob Dole, who is continuing to score points, is sharply critical of Bill Clinton's position on the Chechen conflict. And the incumbent master of the White House

has to take his criticism into account, because it sounds more than convincing to many U.S. voters.

Russia: Finnish Defense Forces Commander in Chief To Visit 26-29 Aug

MM2308164296 Moscow KRSNAYA ZVEZDA
in Russian 24 Aug 96 p 1

[Report by the Russian Federation Defense Ministry Information Directorate: "Official Visit"]

[FBIS Translated Text] General Gustav Haeggund, commander in chief of the Finnish Defense Forces, arrives in Moscow for an official visit 26 August.

During the visit it is planned that Gen. G. Haeggund will meet with Colonel General Igor Rodionov, Russian Federation defense minister, and Army General Mikhail Kolesnikov, chief of the Russian Federation Armed Forces General Staff. It is expected that the sides will sign a package of measures to develop ties between the Russian Federation Armed Forces and the Finnish Defense Forces. Gen Haeggund will tour the country.

The visit is due to last until 29 August.

Russia: Russia Supports Comprehensive Nuclear Test Ban Treaty

LD2208144596 Moscow ITAR-TASS in English
1428 GMT 22 Aug 96

[By Konstantin Pribytkov]

[FBIS Transcribed Text] GENEVA, August 22 (Itar-Tass) — Russia today confirmed its support for the draft Comprehensive Nuclear Test Ban Treaty worked out at the Geneva talks. Head of the Russian delegation Grigoriy Berdennikov who addressed a plenary meeting of the Conference on Disarmament deplored the fact that the forum failed to endorse the draft and refer it to the U.N. General Assembly. He urged delegations to back the draft.

The talks which dragged out for over two and a half years have not achieved consensus because of India's objections. India insisted that the treaty be linked to the schedule of nuclear powers' disarmament.

Berdennikov stressed that the draft treaty has a compromise character. No one of the participants in the talks who backed the draft could say that it is absolutely satisfactory, but "the overwhelming majority cannot object to this text." This is the essence of the compromise. "We deplore the fact that such a reasonable attitude of compromise has not been assumed by all members of the Conference on Disarmament," Berdennikov said.

The Russian delegation believes the treaty has considerable objective positive qualities. It rid humanity of nuclear explosions in every media.

In addition, the treaty will promote the strengthening of the nuclear non-proliferation regime and will be a check on perfecting nuclear charges. And, finally, the treaty will give an impetus to talks on the further nuclear arms reduction up to their complete elimination.

The treaty will become a milestone on this path. It is a mistake to think that it is possible to advance to the goal of eliminating nuclear weapons when ever more countries acquire such weapons.

The Russian delegation arrived at the conclusion that the continuation of the talks and attempts to alter the text will not bring the consensus closer. The existing draft offers the only opportunity to conclude a Comprehensive Nuclear Test Ban Treaty, Berdennikov said.

Russia: No Consensus on Submitting CTBT Disarmament Report to UN

LD2208200196 Moscow ITAR-TASS in English
1916 GMT 22 Aug 96

[By Konstantin Pribytkov]

[FBIS Transcribed Text] GENEVA, August 22 (Itar-Tass) — The document, summing up the outcome of the negotiations on a Comprehensive Nuclear Test Ban Treaty (CTBT), will not be submitted to the United Nations. Delegations from sixty-one countries, which participated in the plenary session of the forum, failed to reach a consensus on this issue today. This is the second setback received by the Conference, after India had vetoed the draft CTBT on Tuesday, discussions on which had continued for over two and a half years.

A majority of participants in the session were discouraged by such an outcome, to a considerable degree as a result of stands taken by India and Iran. American ambassador Stephen J. Ledogar, replying to an Itar-Tass query, expressed the view that as a result of this respect for the Disarmament Conference might be undermined. Chinese representative Sha Cukang, for his turn, said that he is disappointed. According to him, today a full stop has been put to negotiations on the CTBT, and the Chinese delegation has no intention to continue them.

A significant number of participating countries, including the five nuclear powers, had voted in support of the draft CTBT.

The American and the Chinese ambassadors, as well as their opposite numbers from other countries told journalists that what happened at Geneva does not mean

that the draft CTBT now should be consigned to the archives. A lot of efforts were put in to prepare it for meeting such a fate.

Diplomats, Itar-Tass talked to, expressed the confidence that the document will after all be submitted to the United Nations General Assembly and will be considered at its 51st session scheduled to open on September 17, 1996. A group of countries can act as initiators of such a step. However, Stephen Ledogar and Sha Cukang hinted that such an initiative is hardly expected to emanate from their respective capitals.

Under no circumstances I would dramatize the situation, General-Secretary of the Disarmament Conference and head of the U.N. European headquarters Vladimir Petrovskiy said in an interview with Itar-Tass "The Treaty is ready and sensible answers have been found in it to many issues causing worries to all. The draft treaty was prepared by many states, including the five nuclear ones. But it turned out to be unacceptable to one or two states, and was not approved due to the procedure based on the rule of a consensus. But the hope has still not been lost today, and, judging by all accounts, there will be a possibility to return to the Treaty in other U.N. structures. The group of countries will, apparently, submit this text not as a document of the Conference, but as an independent draft. But it is clear to all that this document carries the seal "Made in Geneva Disarmament Conference". There exists a very serious mood not to open any debates. The draft, incidentally, has already brought about a moratorium on conducting nuclear tests. As a result of this the planet has begun to breathe more freely", he said.

As far as the Nuclear Disarmament Conference is concerned, it will continue its work until September 13. Participants in it are yet to approve a common report on the work in various directions within a year and submit it to the United Nations.

Russia: Impact of Stage-2 Black Sea Fleet Cuts Viewed

MM2308105496 Moscow SEGODNYA in Russian
23 Aug 96 p 9

[Article by Viktor Yadukha: "New Black Sea Fleet Cuts Start. This Could Be Result of Informal Agreements Between Kiev and Moscow"]

[FBIS Translated Text] A sense of deception accompanies the process officially termed the "division of the Black Sea Fleet." Seemingly nobody is any doubt any more that that its ultimate aim remains to get Russia out of the Black Sea region. The polished press releases on the Russo-Ukrainian meetings give no impression of what piece will be falling away when from the melt-

ing iceberg that is the Black Sea Fleet. Ministers and presidents in both countries are avoiding any concrete figures, because they "soar" too high above the problem; the fleet's officers are not being informed about the coming changes, only a few secret experts involved in the actual division know everything — but their work is veiled in secrecy.

Not a single journalist was allowed into the meeting with the commission from the Russian Federation Navy High Command which flew in to Sevastopol 20 August. The task facing the group of 30 ranking officials from the Russian Federation Navy General Staff under the personal leadership of Feliks Gromov was officially given as "optimizing the functioning of the Black Sea Fleet," but we already know that this definition means cutting 6,800 Black Sea Fleet officers, ensigns, and warrant officers, who are to have left the service by early December this year. Not a single known document among those signed at top level by representatives of Russia and Ukraine since early 1992 make any mention of this. Observers are not ruling out the possibility that this is the result of some informal agreements between Kiev and Moscow. Thus, according to former Black Sea Fleet commander Eduard Baltin, the information on the Black Sea Fleet problems which Feliks Gromov, commander in chief of the Russian Federation Navy, shares with Ivan Bizhan, Ukrainian first deputy defense minister, will be far more secret and accurate than the information which Russian Admiral Gromov shares with Russian Admiral Baltin.

The new Black Sea Fleet cuts have already been dubbed "stage two." Stage one ended 16 August 1996. By that date 121 Black Sea Fleet camps (including 3,962 military installations and 661 residential quarters), more than 80 percent of radiotechnical posts and naval observation systems along the entire Black Sea coast (including 19 ship-based installations), stocks from 126 coast guard divisions in Simferopol, Yevpatoriya, Perevalnoye, and Mezhygorye, two coastal cruise missile battalions protecting Sevastopol from north and south, and over 500 tanks, armored transporters, infantry fighting vehicles, and other armored equipment had been handed over to the Ukrainian side.

From August 1992 through August 1996 the Black Sea Fleet has completely lost its submarine forces and missile-carrying naval aviation. Of a division that once included dozens of strategic missile platforms, long-range bombers, and fighter-interceptors, only one squadron of old Su-17's is left in the settlement of Gvardeyskoye — and they are capable of flying one sortie at best. The state of the Black Sea Fleet's other two remaining airfields — at the settlement of Kacha and at Cape Khersones — precludes any serious discussion of

them. The first is home to transports and long-obsolete B-12 seaplanes transferred from Yevpatoriya, while the second is more suited to "corn farmers" or those wanting to pasture their cattle. The "Veseloye" and "Mirnyy" air bases transferred to the Ukrainian Defense Ministry have been completely plundered by the local populace and have to all intents and purposes ceased to exist.

It cannot be ruled out that this fate will also befall the only air base in Gvardeyskoye, where lighting has already been cut off for several days, there is no gas, and heating is intermittent. SEGODNYA's correspondent was told there about a more than strange mechanism whereby Ukraine had received other air units from the fleet. Namely, by the early nineties twin-engined aircraft (such as the Su-27 and MiG-29) had started entering service with the Black Sea Fleet, whose fighter aviation predominantly consisted of single-engined aircraft. When the fleet started being divided up, the pilots had thought that the division would at least be on a parity basis, but Moscow unexpectedly ordered the garrisons equipped with the newly arrived materiel to be handed over first. And, according to the pilots, the Ukrainian side scrupulously inspected each aircraft, demanding that the hardware be fully equipped, and then demolished them. The Black Sea Fleet pilots are convinced that the Ukrainian military department was simply following the orders of its NATO "strategic partners" to destroy the Black Sea Fleet.

There is still no complete information about the Black Sea Fleet combat units to be cut in "stage two." We only

know that the 30th surface ship division — the Black Sea Fleet's largest force — will be cut in the very near future to brigade size at best. In particular, it is known that the escort ships Razitelnyy and Bezukoriznenny, a considerable number of small ASW ships, supply ships, floating docks, and repair vessels have been transferred to Ukraine. The Black Sea Fleet medical, engineering, and radiotechnical services are due to be cut further (another nine ships are to be transferred from the radiotechnical service to Ukraine). It is also expected that before the year's end the Ukrainian side will receive tens of thousands of missiles, torpedoes, and other munitions from Black Sea Fleet arsenals. But the most major loss for Russia in the region is the looming reduction of the 810th Marine Brigade — the most combat-capable and well-trained Black Sea Fleet force. In the very near future the Ukrainian side will receive 83 BTR-80's, surface-to-air installations, and specialized hardware from it, and the brigade itself will be cut to regiment size.

As has already been reported, the ruins of the Black Sea Fleet with a total complement of 30,000 will be broken up into two groupings — the Western Grouping based at Sevastopol and the Eastern Grouping based at Novorossiysk. The first still has a bay but no coast or rear, while the second has a rear but nowhere to base itself — it is impeded by the commercial port and the constant squally winds, which tear ships from their anchorages and smash them against their moorings.

Political Issues

Russia: Kremlin 'Sources' Claim Yeltsin To Enter Hospital

MK2408063196 Moscow NEZAVISIMAYA GAZETA in Russian 23 Aug 96 p 1

[Report by Natalya Konstantinova: "Boris Yeltsin in Action"]

[FBIS Translated Excerpt] As has been reported by news agencies, Russian Federation President Boris Yeltsin has returned from a short trip to Valday to his residence near Moscow and resumed work.

According to other information received by NEZAVISIMAYA GAZETA from other sources in the Kremlin medical center, the president will in the next days go for treatment to one of the departments of the Central Clinical Hospital in Kuntsevo, where two special wards fitted out with super-modern medical equipment were prepared for him in a matter of days.

On Thursday, Boris Yeltsin met in the Kremlin with candidates to fill vacant posts in the Russian Government, recorded in brief television footage, following which he signed edicts on the appointment of the new ministers.

Anatoliy Zaytsev became minister of railroads; Yuri Besspalov, whom the president has known personally for many years, minister of industry; Petr Rodionov, minister of fuel and energy; Viktor Orlov, minister of natural resources; Tatyana Dmitriyeva, public health minister; Aman Tuleyev, minister for cooperation with CIS-member countries; and Yevgeniy Sidorov stays on as minister of culture.

According to the presidential press service, Boris Yeltsin was especially interested during the meeting in the prospects of developing high-speed railroads in Russia; attracting new foreign investment into the Russian economy; the progress of geological surveys, which have been markedly curtailed in recent years; the pricing problems in the coal and oil industries; and prospects for public health system developments. The president stressed when conversing with Tatyana Dmitriyeva that, in his opinion, the prime minister is supposed to personally watch over the Ministry of Public Health.

Most of the aforementioned, with the exception of Communist Aman Tuleyev (and, naturally, Yevgeniy Sidorov) are unfamiliar names. Thus, after long delays, the authorities have trusted one ministerial portfolio to a Communist.

To this day, Yabloko has got nothing, to say nothing of its leader Grigoriy Yavlinskiy, whose personality seems

to have been deleted from the president's memory. (Incidentally, Mr. Yavlinskiy is late returning from Uzhgorod to Moscow owing to the illness of his mother). [passage omitted]

Russia: Yeltsin's Spouse Recovering After Kidney Operation

LD2608095596 Moscow ITAR-TASS in English 0944 GMT 26 Aug 96

[FBIS Transcribed Text] MOSCOW, August 26 (Itar-Tass) — The wife of Russian President Boris Yeltsin, Naina, had to undergo kidney surgery in the Central Clinical Hospital in Moscow on Saturday.

The operation on the left kidney had been planned in advance, and the post-surgery period is proceeding smoothly. Naina Yeltsin's state is described as quite satisfactory, the presidential press service told Itar-Tass today.

Medical centre leader, Professor Sergey Mironov, told Itar-Tass that "Naina Iosifovna maintains a continuous contact with Boris Nikolayevich Yeltsin and her daughters Yelena and Tatyana."

There are many flowers and cards with good wishes for quick recovery from Naina's relatives and friends. Doctors hope to be able to let the president's wife return home within the next few days.

Naina Yeltsin will continue a course of treatment as an outpatient.

Russia: Public Must Be 'Constantly Informed' About Yeltsin's Health

MM2308180896 Moscow SELSKAYA ZHIZN in Russian 24 Aug 96 p 2

[Article by Aleksandr Bykovskiy under the "From Official and Unofficial Sources" rubric: "Whom To Believe"]

[FBIS Translated Excerpt] [passage omitted] It is clearly abnormal when Russians learn about the head of state's ailments from unofficial sources. For example, it has come to light that he is almost deaf in one ear, that he suffers from cirrhosis of the liver, renal insufficiency, and rapidly progressing stenocardia. Furthermore, in the past year B. Yeltsin has suffered two heart attacks. Now only surgical intervention will enable him to cope with his heart problem. It is remarkable that those mass media which just a few months ago bent over backwards to show that only B. Yeltsin is worthy of being president are now so well informed. Now with this array of illnesses he will find it hard to stay alive, let alone run the state.

So for moral and ethical reasons — unlike the president's recent "passionate" admirers — I shall refrain from further commentary on his health and outward appearance. Especially since he has already begun work, according to the latest reports. But will it be for long? After all, the president has already been working in "semi-vacation" mode since 18 June, as his entourage elegantly put it.

Thus this whole uproar in the mass media over B. Yeltsin's health makes you think yet again that the law must be more demanding as regards a future head of state's physical condition. And the president's press service must keep the public constantly informed about what the head of state is doing and how he is feeling at any given time. As is routinely done in the United States, France, and other civilized countries. The U.S. White House press secretary briefs journalists each morning on the President's schedule for the day. This kind of thing does not happen in our country, unfortunately. Is this not why the incumbent Kremlin boss holds the record among heads of state for the number of important state meetings and events that have been canceled?

Russia: Yeltsin's Latest Public Reappearance Causes No 'Sensation'

*MK2308124796 Moscow SEGODNYA in Russian
23 Aug 96 p 1*

[Commentary by Tatyana Malkina: "Boris Yeltsin Says Publicly He Is Not Going to Switzerland"]

[FBIS Translated Text] Thus, Boris Yeltsin was presented to urbi et orbi right in the Kremlin yesterday. Despite mudslingers' inventions, the president, who had clearly not gone through a complicated heart surgery, received candidates for the remaining government vacancies in his Kremlin residence and signed edicts on their appointment. Besides, well-wishers noted, he buoyantly went through a television interview that was widely broadcast last night where he touched upon four subjects: the crisis in Chechnya, the ingenuity of the Russian air pilots [escaping from Afghanistan], the new government, and, discreetly, his own health.

Since the most intriguing point of the interview consisted, of course, in Boris Yeltsin's physical appearance before the television cameras, there is no sense in dwelling on the contents of his brief replies to questions. Suffice it to say that he approved the peaceful course of events in Chechnya (only chiding Lebed for his lack of activism), praised the formerly captured aviators for the courage they showed in not waiting to get help from their country, noted the professionalism of the new cabinet of ministers, and assured viewers that he was not

going to Switzerland and would spend vacations in Russia: "There are rumors about my trip to Switzerland. I thank the mass media for such an invitation. But I will not be able to go because there are problems that need to be solved here."

Despite the fact that even AFP [Agence France Presse] specially reported that Boris Yeltsin appeared fresh, cheery, and uninhibited, the sensation was that the appearance of the president and his remarks were not a sensation. It could just as well have taken place the day before. Yesterday, the headlines of all the news agencies and newscasts were full of Aleksandr Lebed. Next came Grozny and then the Chechen refugees, and so on.

"Repairs to the nasal septum" during the previous worsening in the Chechen crisis was not just a winning element in the Communists' election campaign. This specific trait of Boris Yeltsin's political style — being easily able to disappear at critical moments — is conceded to even by his supporters. But this time around there is a feeling that the president has gone overboard.

I would have thought that there may be two reasons for which Boris Yeltsin let Aleksandr Lebed have, without putting up a fight, the laurels of the "master who will turn up some day and settle the dispute." [Reference to a line from 19th-century poet Nikolay Nekrasov] The first is that the president is either too preoccupied with other things or so confident of himself that he simply overlooked the fact that his name has, for some time now, been associated with the Great Medical Encyclopedia rather than with politics. The second is that the president is so much not in the mood for politics that he actually decided to voluntarily let the Security Council secretary have the place of the God of Thunder on the political Olympus. Both guesses are equally sad for the Russian voter. It only remains to be hoped that Boris Yeltsin will, in the few next days, display yet another of his specific abilities and propose to society, at the peak of the crisis, a third and totally unexpected option.

Russia: Yeltsin Expects Written Report From Lebed on Chechnya Settlement

*LD2308183796 Moscow ITAR-TASS in English
1720 GMT 23 Aug 96*

[FBIS Transcribed Text] MOSCOW, August 23 (Itar-Tass) — Russian Prime Minister Viktor Chernomyrdin on Friday congratulated Security Council Secretary Aleksandr Lebed on the first successful efforts which had stopped the bloodshed in Chechnya, a source in the government told Itar-Tass.

The results of Lebed's mission are only the first step, Chernomyrdin said, speaking to the security suprema

by telephone. He added that these efforts should be consolidated and that the political aspect of the Chechen settlement should be strengthened.

The success should be developed by all means available in the state, attracting to this responsible and difficult mission ministries, agencies and public organisations, all those able to help stabilise the situation in Chechnya and overcome the aftermaths of the crisis, the prime minister said, according to the source.

Apparently Lebed, back to Moscow from Chechnya where he signed a truce agreement with Chechen military commander Aslan Maskhadov, was looking to report directly to the president about the results of his mission. However, a source in the presidential press service told Itar-Tass that Yeltsin did not plan a meeting with his plenipotentiary in Chechnya.

Yeltsin expects Lebed to present a written report on his work concerning the settlement to the Chechen crisis and on a ceasefire and disengagement agreement, the press service said.

Upon his arrival in Moscow early in the morning, Lebed told Tass that he expected to meet Yeltsin today to inform him about the agreements reached in Chechnya "if nothing goes wrong."

Lebed said he was not sure that critical remarks by the president about his performance "really come from Boris Yeltsin himself."

Lebed's words came in response to Thursday's unfavourable evaluation by Yeltsin of his work in Chechnya.

"Now General Aleksandr Lebed has gone there in order to induce the Chechen opposition to start peace negotiations somehow. I hope this will be made successfully, although I am not quite satisfied with Lebed and his work on Chechnya. When meeting with voters, he promised to resolve the problem of Chechnya if he had sufficient powers. Unfortunately, now the results of his work on Chechnya are not visible," he said on Thursday.

However, this assessment of Yeltsin had come out before Lebed and Maskhadov signed a ceasefire and disengagement agreement on Thursday.

In conformity with the accords, all hostilities in Grozny were stopped from Friday [23 August] noon. Besides, the agreement provides for setting up joint commandant's offices composed of representatives from federal troops and Chechen separatists.

"Federal forces in Chechnya are not engaged in any active operations" in compliance with Thursday's ceasefire

agreement, a Russian command spokesman told Tass by telephone.

He also said that Russian command envoys had met separatists in southern Grozny outskirts.

"The terms of the withdrawal of the warring parties from the Chechen capital was a major issue for discussion was", he said.

However, the situation in Grozny remained "extremely difficult" today at 12:00 (08:00 GMT) the ceasefire took effect.

The national security chief said on Friday he would return to Chechnya this weekend to sign a political agreement with the separatists.

"I shall return in two days to sign a joint document on our relations with Chechnya. This will be a political document", he told reporters.

Lebed stressed that "only extremely abrupt action can stop the bloody bacchanal in Chechnya these days, and that was the objective of the agreement on emergency measures to cease fire in the republic."

Asked whether he thinks the provisions of the new accords feasible, Lebed said: "All the commanders whom I brought together accepted this agreement as binding. I am not going to persuade anyone or ask anyone. I have legitimate powers."

In conformity with a presidential decree on Chechnya of August 14, Lebed was vested with broad powers, such as "taking operative decisions concerning the settlement of the crisis, controlling their implementation, taking decisions on employing and sacking federal officials, servicemen and police officers to the rank of deputy minister inclusive."

Russia: Press Secretary Details Yeltsin-Lebed Conversation

LD2408092496 Moscow INTERFAX in English
0919 GMT 24 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 24 (Interfax) — Talking to a group of TV journalists Saturday, President Yeltsin's press secretary Sergey Yastrzhembskiy revealed what preceded Friday's telephone conversation between Boris Yeltsin and Security Council Secretary Aleksandr Lebed, Yeltsin's press service said.

Reports on preparations for a Yeltsin-Lebed rendezvous appeared Friday [23 August] morning but proved to be ungrounded, Yastrzhembskiy said. Yeltsin had scheduled no meeting with Lebed for Friday. He had planned to meet with Lebed Thursday but critical developments

in the Chechen capital Grozny demanded that Lebed fly there and the meeting was postponed.

Nonetheless, Yeltsin and Lebed held "a sufficiently long, in-depth and constructive conversation" Friday night. Lebed briefed Yeltsin on his first moves for a Chechen accommodation and Yeltsin listened very attentively to what he said and approved most of what he had done, Yastrzhembskiy said.

"Yeltsin authorized Lebed to continue the negotiations and set the scene for the conclusion of a political agreement (with the Chechen armed opposition) which will describe the Chechen republic as an integral part of the Russian Federation," Yastrzhembskiy said.

Yeltsin will keep a watchful eye on the Chechen developments and the negotiating process and expects regular and detailed reports from Lebed, Yastrzhembskiy also said.

Asked whether Yeltsin changed his view of Lebed's efforts for a Chechen accommodation, Yastrzhembskiy said Yeltsin lashed out against Lebed Thursday morning when nothing was yet known of the results of the negotiations and of Lebed's moves in Chechnya.

"What Yeltsin said in the telephone conversation yesterday indicates he approves Lebed's first efforts for a Chechen accommodation and expects more moves in this direction," Yastrzhembskiy stressed.

Russia: Chernomyrdin Interviewed on Chechnya
LD2508195596 Moscow Russian Television Network
in Russian 1600 GMT 25 Aug 96

[*"Exclusive"* interview with Russian Prime Minister Viktor Chernomyrdin by Nikolay Svanidze in his Kremlin office on 24 August for the "Zerkalo" program — recorded]

[FBIS Translated Excerpt] [Svanidze] President Yeltsin in his public address made some harsh comments about Aleksandr Ivanovich Lebed's success in Chechnya but then there were reports about congratulations Lebed received from you over the phone and also from the president. What is your position regarding the situation in Chechnya; what is your assessment?

[Chernomyrdin] My assessment and my position are the same: We should stop such a war and such a bloodbath. This is the main task which has always been there and it is not the first time you and I have discussed this issue. There have been different attempts to solve it, different approaches tried out by different sides, and the situation itself kept changing, in the country, in Chechnya, and in the world as a whole. There are many factors influencing the solution of this problem.

Well, as far as the president's criticism is concerned, one has to approach it carefully. He may have been critical because of insufficient speed in solving this issue. Of course, the results are needed. The president is critical towards everyone: Us, myself and the government, and it is his right, that is how it should be. I do not think that anybody should feel offended; the work is what matters.

Still, we have managed to reach the decision we have at the moment and the process is continuing. It is not an easy process and nothing will change straight away. According to the presidential decree, the responsibility for this process lies first of all with the Security Council and personally with Aleksandr Ivanovich Lebed, and this is exactly what the latter is trying to do, and I have to say that he is getting some good results already and I am very pleased about all that. It should continue this way but, you know, this is not a simple matter, one cannot just come and sort it out in one go.

No one thinks it will just come about by itself so everyone is working to this end, the military and the power ministries. However, the main thing now is to resolve this problem and the focus is on the Security Council and Lebed who is tackling it. I am very pleased. Yesterday I conveyed to him my sincere greetings on the resolution of the first stage of this problem.

[Svanidze] You are abreast of everything that is currently happening there and, in particular, of the course of the talks between Lebed and [Chechen separatists' chief of staff Aslan] Maskhadov, are you not?

[Chernomyrdin] Of course. Aleksandr Ivanovich [Lebed] told me and, in the first place, we determined our stance, the conditions we can accept and, the main thing, the likely outcome of this. It was determined by us, not just the two of us, but all of us here, and, this the main thing, the president determines the stance. He orchestrated the first stage. Yesterday, he orchestrated the following stage, the political stage, defining the decisions we can take.

Let me say again that this is a serious issue which needs titanic work, as it were, including Chechnya itself. The government and the military are at work. You know that several days ago I had a meeting with [Ruslan] Khasbulatov. He is now [Chechen separatist leader Zelimkhan] Yandarbiyev's plenipotentiary representative. When I was told that he wants to meet as a representative, well, I have always said I am ready to meet anyone to find a solution. We discussed this question. He has his views. He needs to go there and set out our position, the position of our government and president, what we want and the limits of our terms of reference.

He has his own views of both sides and far from unequivocal at that. However, he does understand and he also wants to do something. He will. Well, today, I mean this problem is being tackled from various vantage points but I think that currently the main thrust is concentrated on Security Council actions and the actions by Lebed and all those who should be resolving this task together with him. I would like to say once again that the military and ministers are all taking part in it. Today [24 August], he is conferring with the power ministers. So the question is, how to succeed.

I believe that by now we are ready for it and the other side, I think, also realizes that there can be no winners there. There should not be any winners there. It is just not right. It is not a war, it is our internal... [changes thought] ...it is Russia. I have always said, and I will keep saying because it is my conviction, that Chechnya is part of Russia and the people there are the people of Russia. So when someone wants to break it all in a second, it is impossible and it will not happen that way. Here we have a very fine mechanism that we all have to put in motion to achieve the desired result.

[Svanidze] It is quite obvious, Viktor Stepanovich, that the key issue here is Chechnya's status. Has this issue been addressed in the recent negotiations? Has it been addressed by Lebed?

[Chernomyrdin] Yes, I think that now, during his next visit, having reported to Boris Nikolayevich yesterday [23 August] and having agreed with Boris Nikolayevich... [changes thought] ...a political solution to that issue is here. It is all here: How to solve [the problem], how to find a way out. Chechnya should be part of Russia, this goes without saying, and as to when and how, that is another matter altogether. In the end, even on that issue, a solution can be found and it has been found. For a while, this matter should not be raised and there should be no discussion on this but, after a while, the people will decide. They have to be given this opportunity. We have been trying to decide everything, the fate of everyone, here in our offices but that is not right.

Incidentally, I have to tell you that what is happening today is happening not without your help, I mean the mass media. It is the view of the public and one has to take account of public opinion. It is the opinion of the people and this is, and should be, the main thing. The whole situation points to the need to finally end all these actions. The people will decide and there is no need to resolve many issues on behalf of the people here. The people will decide things including, there in Chechnya, the Chechen people. They are Russian people, it is Russia, and I am convinced that to begin with the first

stage must be brought to a conclusion. It must be defined and people must be given an opportunity to have a breather. An enormous amount of restoration work must be done there as everything has to be put right.

Thereafter they will decide how things are to be and that is the way it will be. [passage omitted]

[Svanidze] Now, about a very important subject, namely relations between the Cabinet of Ministers and the Security Council. Sergey Yuryevich Glazyev is now the Security Council's deputy secretary in charge of the economy. He is known as a very old critic of principle and a very sharp critic of yours. What kind of relations will there be with the Security Council, I mean with regard to the government's economic matters?

[Chernomyrdin] I see no particular problems for myself here. I take criticism positively. If some things should be taken into account and if some things should be put right, I do it without any hesitation whatsoever, irrespective of whom the criticism has come from. You have mentioned Glazyev. Yes, he has been critical for a long time but he has also worked in the government. He was my minister. Some time ago I appointed him to the post of minister so I know Glazyev fairly well, at least his approach to the economy and his vision of the economy, his current vision. I would not say that Glazyev deplores absolutely everything. No. He may have some preconceptions but that is irrelevant. Now, when Glazyev is in the Security Council and in charge of economic issues, he is effectively part of the team. It is one thing to criticize but it is another thing when one should be doing things and proposing how to do them.

[Svanidze] There is much comment around on the appointment of Aman Tuleyev to a ministerial post. What can you say about this appointment, taking into account the fact that Aman Tuleyev has never shared your ideas or Boris Yeltsin's ideas for that matter, not up to now at least?

[Chernomyrdin] That is absolutely right. This confirms yet again the tendency I have been talking about and the tasks we are putting before us. There is no way I can agree with those trying to represent it to our country and society as if the government and the president are making concessions to the opposition for the sake of some kind of aims. We did this after everything had already happened, when the State Duma approved the chairman of the government. I spoke then, and prior to my appointment, about what kind of government there should be and about what we think, what we would like to think, was the most important in government members. I think that Tuleyev's appointment shows that we are ready... [changes thought] ...and I state here openly that no one forced me...

[Svanidze, interrupting] Was it your idea?

[Chernomyrdin] Yes, it was my idea. This is an opportunity to use an experienced and prominent politician. True, he did not always agree with the measures implemented in the country from the political point of view, and maybe also from the economic point of view but to a lesser extent. However, Tuleyev is an experienced manager. He went through all the stages up to being the manager of the country's major railroad, the Kemerovo Railroad. This is a serious section. This is first. And second is that he has gained vast experience as a politician in the past years when he was representing Kemerovo Region. We are talking here about the Kuzbass, a serious region with serious problems. I think that he is an experienced politician and manager and that he may be of great use while working in the government.

[Svanidze] You probably spoke to him and told him that from now on he will be guided not by party ideas or ideas proceeding from his views but by ideas dictated by the needs of the state and by the fact that he is a member of your cabinet?

[Chernomyrdin] Yes, of course, and not just once. I must tell you that my government is a team in any case. I accept nothing else and it cannot be otherwise. I am convinced that Tuleyev realizes this. Therefore, I would like to make it clear that there are no games here. This is not a body where one can play games or play up to people.

Russia: Yushenkov Comments on War in Chechnya, Yeltsin's Health

BR2608084296 Copenhagen DET FRI AKTUELT
in Danish 23 Aug 96 p 17

[Report by Per Dalgard]

[FBIS Translated Text] Why did Russia ever get involved in this bloody nightmare in Chechnya, which has cost 30,000 lives and provided no answer to the question of Chechnya's membership in the Russian Federation?

In a telephone interview, we posed this question to the deputy chairman of the Russian parliament's Defense Committee, Sergey Yushenkov, a known critic of the war, who together with human-rights advocate Sergey Kovalev has led an active campaign to stop the war. Among other things, he has sat in the basements of Grozny during bombardments to demonstrate the Russian Army's violation of fundamental human rights.

Simple Stupidity

"The war has no rational explanation, and this is shown with complete clarity by its lack of results. It was started and maintained by pure and simple stupidity. Many

people try to claim that it was due to oil interests, or Mafia groups wanting to profit from the war, or fear that secessionist ideas would spread to other republics. I do not think this is true. It is due to stupidity and ignorance among Yeltsin's closest associates," Sergey Yushenkov said.

"I have been in close contact with all of the people who held the most powerful military posts — Pavel Grachev as defense minister, Lobov, Yegorov, and Stepashin from the Security Council, Interior Ministry, and the intelligence services. I am still deeply shocked by the stupidity and the narrow-minded mentality which characterized them. They could say the war was necessary to fight the Turks, the Muslims, the Iranians, and heaven only knows who else. The president was fed these diabolically stupid opinions and foolish prejudices by his closest advisers. This was the real cause of the war. Fortunately, these people have all been removed from their positions, and the current defense minister is trying, with Yeltsin's approval, together with Aleksandr Lebed, to clean up the chaos they left behind."

One Man's Hatred

Sergey Yushenkov, who was elected to parliament for former prime minister Yegor Gaydar's party, Russia's Democratic Choice, does not believe there are political intrigues behind the Russian threats of the past few days to storm Grozny. He does not think that either Yeltsin, Interior Minister Kulikov, or the defense minister gave orders to issue the ultimatum for the evacuation of the city which has created the recent panic-stricken flood of refugees.

"There are psychological factors that have played a trick on the local commandant in Chechnya. He and other military leaders have acted on their own initiative for various reasons. In the first place, they have done so out of wounded pride. The arrogant Russian generals cannot forget the humiliating defeat they suffered when the rebels retook the city. In addition to that, their esteem is under great pressure, because they had claimed the Chechens were defeated, after which the Chechens started a convincing and devastating counterattack.

"But another and perhaps more essential psychological factor is hatred. Commandant Konstantin Pulikovskiy in Grozny had just lost his own son in the war with the Chechens; this has undoubtedly made it difficult for him to think clearly."

So how can the conflict be resolved?

"By letting Aleksandr Lebed have the necessary powers to negotiate and by making him the chief of a unitary command over the troops in Chechnya. The way things

are now, the various units are actually fighting one another, and they have no supreme commander except of course for the president himself," Sergey Yushenkov said.

Still a Chance

"The Russian Armed Forces are in principle led by the president, the commander-in-chief; the defense minister; and the chief of the General Staff. The fact that the interior minister and the chief of the intelligence services are playing a role here is a mistake which will soon be corrected. A unified command will be established for Chechnya, with Aleksandr Lebed at the head, which will be given the authority to negotiate, withdraw troops, and carry out demilitarization and elections, and perhaps a referendum on the status of Chechnya. I believe there is still a chance that a Chechnya, with extensive self-government and considerable authority to act independently, will remain within the Federation — despite the war."

Yeltsin's Absolutism

Yushenkov explains the political anarchy which prevails in Moscow, where apparently no one knows whether the president is capable of governing, and if he is not, who then has control of the country, by what he terms "Yeltsin's absolute monarchy."

"The president is clearly physically weak. I cannot decide whether he is capable of governing or not, but it is certain that there is something wrong with the government. Yeltsin is like an absolute monarch who has several opposing groups working for him. These groups are conducting an enormous internal struggle for influence over him. We have seen this, for example, in the struggle between Lebed and Interior Minister Kulikov. The president is above party politics and is not subject to any control. Uncertainty therefore arises when he is not at the helm in Moscow. It will be difficult if he dies, but I do not think that this would mean an attempted coup. A new election will be conducted in accordance with the Constitution," Yushenkov said.

"I would like to emphasize, however, that I do not hope that Yeltsin is too ill to govern. Despite the fiasco in Chechnya, he has, in the historical sense, done a great deal for Russia. In my opinion, he probably prevented the whole of Russia from ending in a repeat of the disaster in Yugoslavia."

Russia: Lebed Returns to Moscow From Grozny
LD2508135696 Moscow ITAR-TASS in English
1345 GMT 25 Aug 96

[FBIS Transcribed Text] MOSCOW, August 25 (Itar-Tass) — Secretary of the Russian Security Council Aleksandr Lebed returned to Moscow from Chechnya on Sunday, as talks with Chechen rebels, scheduled for this morning, failed to take place.

Lebed told reporters at Grozny airport before departure that he planned to hold consultations with top officials in Moscow on the Chechen problem.

Russia: Yeltsin 'Largely Endorsed' Lebed's Actions in Chechnya

LD2308195096 Moscow ITAR-TASS World Service
in Russian 1920 GMT 23 Aug 96

[By unidentified ITAR-TASS correspondent]

[FBIS Translated Text] Moscow, 23 Aug (ITAR-TASS) — During a telephone conversation at 2200 today, Russian President Boris Yeltsin attentively listened to an account by Aleksandr Lebed, Russian security council secretary, and largely endorsed his first steps on the path of a peaceful settlement of the conflict in Chechen Republic, the Russian president's press service told ITAR-TASS.

The Russian president authorized the Security Council secretary to conduct talks and to arrive at an agreement on a political settlement of the Chechen conflict defining the political status of the Chechen Republic as an inalienable part of the Russian Federation.

As before, Boris Yeltsin intends attentively to monitor the entire course of the Chechen settlement and expects Aleksandr Lebed to report regularly on the development of the situation.

Russia: Reasons for Yeltsin's Criticism of Lebed Remain Unclear

MK2408132996 Moscow KURANTY in Russian
24 Aug 96 p 1

[Article by Anatoliy Pankov, KURANTY chief editor: "What Has Lebed Done To Displease Yeltsin? The Meeting With the President Announced by the Security Council Secretary Never Took Place"]

[FBIS Translated Text] After lengthy talks between Aleksandr Lebed and Aslan Maskhadov, a cease-fire was to go into effect in Chechnya at 1200. Half an hour later our general was to have met with our president. This was at least what ITAR-TASS told the mass media. But then it backed away. According to a report by the

same agency citing the presidential press service, this meeting was not even on Boris Yeltsin's agenda for that day. Of course, it was Lebed, not Yeltsin, who announced his intent to meet, but still something was wrong there.

At the same time the press service of the head of state reported that Yeltsin was waiting for a written report from Lebed on fulfilling his duties for the settlement in Chechnya as well as materials on the results of the Security Council secretary's talks with the separatist leadership.

Lebed probably had many things to report to the president. At noon the warring sides began realizing their Thursday accords on ceasing fire, pulling back federal troops and the armed detachments of Ichkeria, ensuring corridors, preventing looting and plundering, and so on and so forth. At 1530 Vyacheslav Tikhomirov, commander of the federal group of forces, and Aslan Maskhadov began talks on setting up joint commandant's offices, preventing provocations, and pulling military units back from Grozny on a mutual basis. The routes for the passage of columns from mountain areas were charted and "the consumption of materiel" was estimated.

The return of civilians to Grozny will begin the day after tomorrow. By that time checkpoints and routes for entering the city will be opened. The first to enter the city will be combat engineers, followed by power supply and utility workers and... residents living in private houses and apartments who want to take their homes under protection as soon as possible.

It would seem that the head of state should have praised his authorized representative for cleaning Chechnya's Augean stables, but he turned out to be displeased with him. Yet, he said this in an interview that was recorded much earlier than the beginning of the cease-fire — maybe even before Lebed had met with Maskhadov (the precise date of the recording cannot be established).

What was the reason for the presidential criticism? The desire somehow to cut the overly vigorous and ambitious candidate for top billing down to size? The wish to appease the power agency chiefs, particularly the internal affairs minister, whom the decisive general has taken on? Or maybe there is the more prosaic reason of information delays? It takes time for information to pass through the filter of his entourage — and for Yeltsin to digest it and develop his view. Alas, we cannot but discuss Boris Nikolayevich's physical state. His latest television interview only adds to the bitter reflections of even his supporters. This interview was too reminiscent of television recordings with Konstantin Chernenko.

And yet, even in this state, Yeltsin held lengthy conversations with candidates for ministerial posts, for one. So why not meet with Lebed? After all, he cannot be blind to the fact that a silver lining appears to have emerged in the Chechen chaos.

But before the newspaper issue was signed to press we received an ITAR-TASS report to the effect that in today's telephone conversation Viktor Chernomyrdin congratulated Aleksandr Lebed on his first success, which made it possible to stave off further bloodshed in Chechnya.

This success should be advanced by all means available to the state, the prime minister stressed, by involving in this responsible mission relevant ministries and agencies as well as public organizations and all those who can help stabilize the situation in the Chechen Republic and overcome the consequences of the Chechen crisis.

Russia: Possible Assassination Attempt on Lebed's Life Reported

*LD2408123796 Moscow INTERFAX in English
1234 GMT 24 Aug 96*

[FBIS Transcribed Text] MOSCOW, Aug 24 (Interfax) — A report about a prepared assassination attempt on the life of Russian Security Council Secretary Aleksandr Lebed was received an hour before Lebed's plane (flight 9045, plane 65557) left for Chechnya, Lebed's representative Vladimir Petrov told Interfax.

Petrov declined to give details regarding the prepared assassination attempt.

"Now, when the Chechen people have hope that the senseless slaughter will end, an attempt to remove Lebed can be considered only as the most serious crime against the people and the country," he said.

"I am confident that, having received this information, our special services will double vigilance and the attempt to assassinate Lebed will bring death and shame to the perpetrators and instigators of this crime," Petrov said.

Lebed's spokesman Aleksandr Barkhatov told Interfax that information about a possible assassination attempt had also been received before Lebed's first trip to Chechnya.

**Russia: Commentary on Moscow 'Intrigue'
Surrounding Lebed**

LD2608102896 Moscow ARGUMENTY I FAKTY
in Russian Aug 96

[Natalya Zhelnorova commentary in "Commentary" column on Kremlin intrigues: "Intrigues and Power"]

[FBIS Translated Text] Great writers (Shakespeare, Tolstoy) were biographers of people whose dramas and tragedies were designed by great Intrigue. A major intrigue breaks up the habitual course of things. And, if a rational, obvious solution has been pushed aside (it has been "ignored"), then Intrigue, the cunning, comes out onto the stage of life. She gets people and invents mixed up in the most complicated network. But the most Jesuitical, merciless intrigues are carried out for the sake of power and money.

In our time there have been plots against the president of the USSR, there have been parliamentary storms to impeach the president of Russia, there has been a stern settling of issues between all branches of power, there have even been shooting incidents with one another. This all happened against a backdrop of enticements to ministers, generals, deputies, factions, parties and whole divisions from one camp to another, outbidding one another. Aleksandr Yakovlev and Gennadiy Burbulis, Sergey Poltaranin and Ruslan Khasbulatov, Valentin Varennikov and Aleksandr Rutskoy have added their greasy brush strokes to the postperestroika intrigues.

**And for All That the Strangest Intrigues Are
Currently Being Woven Around the War in
Chechnya**

Even now few people know why Moscow helped to get rid of [Doku] Zavgayev in Grozny in 1991 in order to bring [Dzhokhar] Dudayev to power. Why did they then burn down the city and the whole of Chechnya in order to get rid of Dudayev and put Zavgayev there again..? Or another set-up: to begin with Moscow does not pay any attention to Chechen separatism, as if it is to her liking for some reason. And suddenly something (oil? money? revenge?) gives rise to federal fury towards that republic. It continues to this day, although it is sometimes disguised by talks and treaties, by a reshuffling of the characters.

Power in an Impasse

The accusations that General Aleksandr Lebed has levelled at the minister of internal affairs of the Russian Federation — demanding that the president get him out of the way for the sake of peace — launched a new spiral of intrigue and various cadre shuffling, on the highest level.

Variants Facing Yeltsin

1. If the president does not get rid of Kulikov, then "a second feathered one" may leave the bloody Chechen battle and not become a swan [Lebed is Russian for "swan"] but an eagle for the population at the next presidential elections. And the electorate will ultimately regard the current president and those around him as those to blame for dragging out the war. Whether he likes it or not Lebed has driven Yeltsin into an impasse.

2. If the president rejects Anatoliy Kulikov, he will thereby emphasize that he is doing what his newly appeared secretary of the Security Council tells him to, renouncing those individuals that he himself has just appointed to these posts.

True, having snubbed Lebed, Yeltsin can for all that find Kulikov a suitable job. And then later on he can demand that the Security Council secretary put an end to the war.

3. If the president's physical and moral strength permits, he can leave things as they are.

Variants Facing Lebed

1. As a true officer, the general should write a letter of resignation which would give him a chance to wash his hands of the affair and become an outstanding antiwar campaigner, a critic of the present regime.

2. If Lebed stays in the job in spite of his ultimatum, giving as the reason that this is in the interests of society, then Kulikov will simply be obliged to agree to a ceasefire. Otherwise he will become the main person responsible for the continuation of the war.

Are There Possible Nuances in This Intrigue?

Yes. Yeltsin may well take advantage of Lebed's success in Chechnya. For it was precisely the president who took this big, noisy bird under his wing and gave it special power. And victory in the war would be a trump card for the president. However, the fear that, after the first success, Lebed will want to go on carrying out purely regal matters — punishing and pardoning — has prevented Yeltsin from giving up such trump cards to the general.

There is yet another nuance. In the event of victory being achieved with the help of Lebed, Prime Minister Chernomyrdin will be pushed out even further and will concede part of his bridgehead to the general. And this means that yet another strong and rather unpredictable figure — Lebed — has fortified his position on Olympus.

So, it turns out that everyone who favors an end to the absurd war needs Lebed. But many of the politicians are personally very much afraid of him. They don't need him. Therefore everything is going according to the principal: if Lebed defeats the "dragon", that's good; if he loses his head, that's even better. It is expected that striking personalities are involved in any intrigue.

Why Did the General's Star Rise So Quickly?

1. Because he doesn't know how to act behind the scenes, he plays the game openly and thereby wins all the trumps from the intriguers. People respect him for this means he is a less vulnerable target for secret competitors.

2. He publicly demands "Me or Grachev", "me or Kulikov" and he promises to announce the names of those ideologists of war, which has thrown their ranks into complete disarray. (It is not important if he names major individuals besides Kulikov, but a sorting out is already going on in the ranks of the instigators of war.)

3. He has nothing to lose: he has already been the underdog, the post of secretary plus other things is by no means all that the self-confident young general is striving for.

4. After he has removed Kulikov from his path, Lebed will make sure he has his own man in that post (as was the case with general Rodionov). Then it may be considered that the main organized power of the state is precisely behind him. And then it will not take long for him to "peacefully" and legitimately lay his hands on power. It will possibly take place without repressions and evil deeds, but with the generals in power against a background of an aging authority.

The clever Lichtenberg [18th century German satirist] once wrote: "Great people are reproached for being other-worldly, that they do not do all the good things that they could. They may object: 'Just think of all the evil that we could do.'"

And they could, you see.

Russia: 'Broadest Antiwar Actions' in Support of Lebed Urged

MM2308152896 Moscow IZVESTIYA in Russian
24 Aug 96 p 1

[Article by Russian Presidential Council Member Marietta Chudakova under the "Opinions" rubric: "We Have Nowhere To Go Until We End the War"]

[FBIS Translated Text] Even before the first chime of the bell of peace had died away, unseen by people, the jackals feeding on fresh corpses were digging in their heels amid the dark of the night....

General Lebed and General Maskhadov have fearlessly thrown down their challenge to forces that had hitherto seemed invincible. For the first time in the years of the Chechen war, which has crushed all common human values beneath the wheels of armored vehicles, they have shown the meaning of respect for the enemy and compassion for the people doomed to a futile death. Russian society must now outdistance those who, beyond any doubt, are already prepared to mine the road to peace.

Lebed the "semidemocrat," as he described himself ahead of the elections, has given an entirely democratic description of the situation. He not only described this war as madness, not only toughly admitted that Moscow has nothing and no one to conduct the war with, but also declared with the clarity of a military order: A state that aspires to the title democratic must not resolve nationalities problems by force of arms. This was the truth which the Kremlin ignored when it started the war.

Since the democratic authorities, under pressure from the national-communist opposition, began hastily to drape themselves in great-power [derzhavnicheskii] rags (having failed to put forward their own concept of patriotism in time), Aleksandr Lebed has been effectively the first major representative of those authorities to reject those rags, as he has just done with the revulsion of someone who knows the price of blood. It would be dishonest not to pay tribute to the author of "I Feel Pain for the State....," who is seeking to put an end to a brutal and bloody manifestation of primitive great-power attitudes which in recent days has been verging on mania.

War will not vanish from the fields unless we support Lebed's efforts, unless we realize that right now those who are excited by the smell of other people's blood and by other people's deaths are rising up and forming invisible ranks. I am sure that Lebed's real, not purely cosmetic desire to end the war will meet with frenzied, crazed resistance. We need the broadest antiwar actions in support of his efforts. Apart from their main aim, these actions must be aimed at bringing together democrats of various orientations — a cause which it is simply impossible to avoid, no matter how badly some of them might like this as they hasten today to reproach those who called on people to vote for Yeltsin.

I would like to be heeded by those who are accustomed to calculate scenarios and to fear the results, who today fear Lebed's overly great powers while trying to foresee the course of his future presidential campaign. We must at long last grasp the importance of the Chechen war to the fate of democracy in Russia. During this war we have been up to our necks in bloody lies. We have

nowhere to go until we end it. None of the strategists of democratic policy in power has been able even to get close to this, for various reasons. Yes, resolve, in blurring nuances, may be scary. But the facts are that only resolve is capable of producing results today. The dream of an ideal hero in traditional democratic armor must be set aside in the face of daily pointless mass death. The black hole of Russian democracy gapes at the bottom of each fresh-dug grave.

Since August 1991 the president has repeatedly missed opportunities to move forward. Today, at the start of his second term, when his fellow citizens have again entrusted him with the full panoply of power, Yeltsin must keep his election promises and lead Russia into a new round of historic life. The time to purify democracy has come. But Russia will not be able to budge with the war on its shoulders.

Today we must not allow any more backtracking. It can be dictated only by lack of will or faintheartedness — on the part of the authorities or on the part of society — and will have no justification. Russia does not want to fight. And it will not fight any more.

Russia: SBP Faces Likely Dismantling Following Korzhakov's Ouster

MIK2408100896 Moscow KOMMERSANT-DAILY
in Russian 23 Aug 96 p 3

[Report by Veronika Kutsyllo: "The Fate of Aleksandr Korzhakov's Service. Everyone Has Taken Leave — Possibly for Good"]

[FBIS Translated Text] Aleksandr Korzhakov, the former chief of the Presidential Security Service (SBP), who has come out of his nearly two-month seclusion, said in his interview in the latest issue of ARGUMENTY I FAKTY: "After my resignation they instantly began to disband my service. They are bending over backwards so as to disunite and, generally, to force out of work carefully picked people who have unique information." KOMMERSANT-DAILY has attempted to find out whether this is really the case or whether the general, who is planning to run for the State Duma, simply exaggerated matters for effect. It turned out that he had not....

The SBP's Kremlin telephones have long been dead. For this reason KOMMERSANT-DAILY had to turn to unofficial sources for information. The picture that has emerged from the accounts of the remaining SBP employees, who for understandable reasons chose to remain anonymous, confirms Aleksandr Korzhakov's words. Yet an officer of the Federal Protection Service (FSO) — the service that has taken over the SBP under

a presidential edict — attempted to prove the contrary to KOMMERSANT-DAILY, but just as unofficially.

According to the former subordinates of "Vasilich" [Korzhakov as called by his patronymic], right after Korzhakov's resignation, his first deputy, Georgiy Rogozin — who was nicknamed "the Kremlin magician" after Sergey Parkhomenko's much-invoked article published by MOSKOVSKIYE NOVOSTI some time ago — was the first to be deported from the Kremlin. Deputy SBP Chiefs Vladimir Abramov and Lev Yashin; Protection Center Chief Viktor Zorkin; and Special-Purpose Center Chief Gennadiy Zakharov left shortly after him (the FSO source said, however, that two of the aforementioned persons — he would not specify — were seen walking in the Kremlin. But this does not prove anything: Korzhakov himself did not immediately vacate his office after his resignation). The same fate befell several other lower-ranking SBP department chiefs.

Among top persons, it seems that only Oleg Borshchev, the SBP chief of staff, has managed to stay on. His staff members have joined the FSO in full strength. Rank-and-file employees of the Protection Center (the so-called "inner circle") can also feel secure about their fate: According to KOMMERSANT-DAILY's information, no reform of this structure is planned. That is to say, the people whom Boris Yeltsin has become accustomed to see every day will stay with him, and this is fully natural: Usually the "inner circle," particularly those assigned to protect somebody, are discharged to the reserves only upon their client's departure. Incidentally, talk of Vladimir Kuznetsov's appointment (he replaced Aleksandr Korzhakov as the presidential limousine's "door-opener") as chief of the revamped SBP has subsided for the time being, although this option would be fully acceptable for the remaining operatives: Kuznetsov is their man in the service.

The silence of the Kremlin SBP telephones can be easily explained: First, the president has not come to the Kremlin too often after the elections — for which reason there is no need to keep the whole service there. And, second, nearly all of the SBP personnel (except for the "inner circle") are on leave or "are attached to the FSO," which is almost the same thing. Under the law, they can remain "attached" for as long as six months — living in country houses and now and then showing up at "work." If an employee cannot find a job at a specific department within this period, he will be taken off the payroll and shown the door. In the view of KOMMERSANT-DAILY's interlocutors, a considerable number of SBP employees will be unable to keep their jobs (it should be recalled that the SBP employed about 1,500 men). The FSO officer, on the contrary, thinks that his service is doing its utmost so as to keep its people: "Nothing

gets disbanded nor can it be. Maybe some people will leave for personal reasons: Our pay is small."

Virtually nothing is known about any new appointments. Finally, the service's restructuring is expected to be over by the end of September (this deadline appears to be related to Anatoliy Chubays' return from Copenhagen — it is he who will assess the new structure). Whether or not mass dismissals will have occurred by that time is not so important: In any case the team that came to the Kremlin has achieved its goal — the erstwhile all-powerful SBP is definitively due to cease to exist as a self-sufficient structure, and its abbreviation will no longer bring to mind ominous associations.

Media Issues

Russia: Special 23 Aug Issue of PRAVDA Considered 'Illegal'

LD2308163996 Moscow INTERFAX in English
1447 GMT 23 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 23 (Interfax) — A special issue of Pravda, Russia's flagship leftist newspaper, appeared on August 23 following a month-long pause caused by a conflict between a group of Pravda journalists and the paper's publisher — the Pravda International company.

Pravda's special issue was published "on a new basis and without any support of the publisher which has gone beyond the scope of any reasonable relationship with its partner: the editorial office," Aleksandr Ilyin, Pravda editor-in-chief, told Interfax in an exclusive interview.

Ilyin declined to specify the sources which funded the special issue.

He only said that the Greek co-founders of the Pravda International company were acting toward the newspaper "unceremoniously and as if they were in an occupied country."

The publisher has "cut off telephone wires in the editorial office," Ilyin said, adding that "all attempts of the newspaper's staff to launch talks with the company's management were in vain."

Todor Yannikos, Pravda International financial director, told Interfax that the paper's special edition was "illegal."

He said he was going to appeal in court.

The newspaper's logo belongs to Pravda International and was used without permission, he said.

Pravda's editor-in-chief has been handed three suits regarding the violation by the editorial office of its agreement with Pravda International, Yannikos said.

He said he was "not especially interested in the source from which a small group of journalists led by Ilyin got the money for the special edition."

"They have been collecting money little by little for nearly a month," the Pravda International financial director said.

Military Issues

Russia: Defense Ministry Release on Rodionov's Budget Criticism

MM2608105796 Moscow KRSNAYA ZVEZDA
in Russian 24 Aug 96 p 1

[Statement by Russian Federation Defense Ministry Information Directorate: "Draft '97 Budget Fails To Meet Needs of Defense"]

[FBIS Translated Text] The Defense Ministry cannot agree with the figures for the spending on national defense submitted for discussion in the draft state budget for next year. This was stated at the Russian Federation Government's Thursday [22 August] session by Colonel General Igor Rodionov, Russian Federation defense minister. The Defense Ministry's budget application was hardly examined in the form in which it was submitted. It had been based on scrupulous calculations of the most urgent needs of the Army and Navy, the minister stressed.

Within the framework of the activity of the Russian Federation State Commission for the Organizational Development of the Armed Forces and Other Forces, the Defense Ministry has drawn up a draft specific plan for Army and Navy reform geared to the long term. As a result of the implementation of this plan Russia's Armed Forces should acquire an entirely new image and a new force composition in line with the tasks of safeguarding Russia's national security under the new economic, military, and political conditions.

Needless to say, the defense minister noted, we should be discussing the reform not only of the Army and Navy but also of the other troops making up the Russian Federation Armed Forces. The number of departments with troops at their disposal has grown inordinately of late. To all intents and purposes several parallel armies with their own overgrown administrative structures, academies, colleges, and material and technical supply structures are being created in the country. Consuming increasingly large resources, they are by no means always capable of resolving the tasks facing them. This, in particular, is where the reserves for saving the state's funds are to be found, Igor Rodionov said.

One of the most important elements of the reform plan is the preparation for the large-scale rearming and reequipping of the Army and Navy after the year 2000. This can be done on the basis of the scientific and technical groundwork currently in place. Over the past few years, the minister stressed, despite all the difficulties, we have recorded some considerable achievements and made progress in highly important defense research and development. But this all requires sound financial provision in a corresponding state policy.

It should not be forgotten that the implementation of reform results not only in the optimization of expenditure for defense purposes. It also requires considerable expenditure itself. And this is not defense spending in the main, but social spending. After all, we are talking primarily about expenditure relating to the resolution of the social problems facing discharged servicemen — providing them with discharge benefits, housing, and training in civilian specialties. There are direct instructions from the Russian Federation president on the allocation of this expenditure in a separate federal budget line-item. Regrettably, Colonel General Rodionov stated, the draft budget submitted for government discussion has not properly reflected all this.

The defense minister proposed that the question of expenditure on national defense, on the Armed Forces, and other Russian Federation troops be examined specially, in close conjunction with the plan for military reform in the state as a whole and with the plans for the reform of all military organizations in the country.

[Signed] Russian Federation Defense Ministry Information Directorate

Russia: Rodionov Comments on Proposed Defense Expenditures

LD2308130996 Moscow *ITAR-TASS in English*
1256 GMT 23 Aug 96

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, August 23 (Itar-Tass) — "The Defence Ministry cannot agree with budget outlays for defence in 1997," Defence Minister Igor Rodionov said here on Friday.

The ministry's budget application has not been examined, in actual fact, in the compiled draft state budget for the next year, he added.

The minister noted that the budget application of the Defence Ministry, rejected by the government, was "based on painstaking calculations of the most pressing needs of the army and navy".

In the general's opinion, it fully tallies with the draft plan for reforming the Armed Forces for a long perspective. In case of favourable financing, the army and the navy will acquire a new outlook commensurate with the tasks of ensuring national security, the minister continued.

He said that not only the army and the navy should be reformed but also other troops which are not parts of the Russian Armed Forces". According to Rodionov, the number of departments having troops excessively increased.

In actual fact, the country creates several parallel armies with their managerial bodies, academies, schools and logistics structures. Swallowing increasingly significant resources, they are able, far from always, to tackle their tasks.

"Here are reserves for saving state funds," the minister underlined.

The general claimed that the implementation of reform entails not only optimisation of expenditures for defence needs. In Rodionov's opinion, the matter in question are outlays connected with solution of social problems of those who are transferred to the reserves: the issue of mustering-out pay, provision of housing and teaching of civil professions and trades.

"There is a direct instruction from the Russian president to appropriate these outlays as a separate item in the federal budget. Regrettably, the federal draft budget submitted for the consideration of the government does not reflect the above-mentioned," Rodionov stated.

The defence minister believes it is expedient to examine the question on outlays for national defence, for the Armed Forces and other Russian troops in close connection with the plan for military reform in the state.

Federal Assembly

Russia: Duma Budget Aide on Draft Budget, Monetary Policy

MM2308155196 Moscow *ROSSIYSKAYA GAZETA*
Weekend Edition in Russian 23 Aug 96 p 6

[Report by Vladimir Kucherenko: "Drudgery and Fetters Are Not a Panacea. Monetary Policy From the Viewpoint of the Duma Majority"]

[FBIS Translated Text] According to Gennadiy Kulik, deputy chairman of the Russian Federation State Duma Budget Committee, the government's preliminary draft [budget] has not yet been submitted to the lower house of parliament, and, consequently, one can talk only of outline provisions.

First and foremost, the parliamentarian believes, the accord with the government that was reached back in May — that a joint discussion of the fundamental principles of drawing up the 1997 budget should be held prior to formulating the state income-expenditure balance sheet — has not been implemented. There are valid reasons for that: the elections and the Cabinet of Ministers reshuffle. However, such a discussion might after all be held prior to the confirmation of the new government.

That is why G. Kulik finds some principles of forming the 1997 budget about which there is presently so much talk not entirely indisputable. For example, the tightening of the Finance Ministry's fiscal orientation and the tightening of measures for collecting taxes without measures that would supplement this.

"'Drudgery and fetters' are certainly a necessary element, but one should not overlook the fact that treasury receipts are declining due to the stoppage of production and its depressed state," the legislator believes. "We should have devoted our joint meetings to precisely this problem."

Gennadiy Vasilyevich is convinced that the present tense situation was a fruit of the policy based on the principle that "low inflation will resolve all problems." The extremely sparse money supply, the physical shortage of rubles in cash or ledger — this is the cause of the "anemia" and decline in production.

He emphasized that this is his personal opinion. In the legislator's view, the government is again too carried away by general macroeconomic approaches and is paying too little attention to specific questions without which one can count neither upon investments nor upon a revival of production. He puts into this category problems of excessive growth of railroad tariffs, "scattering" of state investments in top priority projects, the excessively large number (more than 300) of targeted federal programs, and the pricing policy in natural monopolies.

On the whole, G. Kulik sees the fate of the 1997 budget as complicated. Regions, displeased with the current system of calculating transfer shares, will put their claims (he particularly stressed the annoyance with Moscow whose authorities are procuring for themselves 20-trillion subventions from the federal budget). Then there are the branches of industry that expect fulfillment of promises — not kept since 1995 — to provide support for private investments with rubles from the state treasury. And of course, the Duma will criticize the government from its previous positions, emphasizing social tension.

It may be predicted that people will cross swords mainly over the increase in treasury income. By G. Kulik's estimates, parliament's proposals will be in several main directions. First, injection of the needed money supply through the mechanisms of specific projects. Second, additional receipts through the creation of a state monopoly company for wholesale trade in Russian and imported alcoholic beverages or the introduction of a 3-percent tax on currency purchases at currency-exchange offices.

The legislator's conclusion is as follows: If the government wants to have the 1997 budget adopted this year, it must create a conciliation commission right now, made up of its own representatives and representatives of both houses of parliament. Because the formal sequence (government — State Duma — Federation Council), if adhered to, threatens to drown the process of budget creation in impassioned debates.

Russia: Federation Council Issues Decree; Rejected Law Viewed

*MM2308125896 Moscow ROSSIYSKAYA GAZETA
in Russian 22 Aug 96 p 6*

[Decree of the Federation Council on the Federal Law "On the Adoption and Implementation of Targeted Programs," No. 295, signed by Ye. S. Stroyev, chairman of the Russian Federation Federal Assembly Federation Council in Moscow on 7 August 1996; followed by commentary by Aleksandr Linkov: "Why Do Senators Fault Law Adopted by Duma Without Murmur? This Usually Happens When Draft Laws Are Politicized"]

[FBIS Translated Text] Having considered, in accordance with Article 106 of the Russian Federation Constitution, the Federal Law "On the Adoption and Implementation of Federal Targeted Programs," adopted by the Russian Federation Federal Assembly State Duma 19 July 1996, the Russian Federation Federal Assembly Federation Council decrees that:

1. The Federal Law "On the Adoption and Implementation of Federal Targeted Programs" be rejected.
2. A proposal be made to the Russian Federation Federal Assembly State Duma to create a conciliation commission to overcome the differences that have arisen, to include the following Russian Federation Federal Assembly Federation Council members: Yevgeniy Saulovich Sapiro (cochairman of the commission), Aleksandr Semenovich Belyakov, Anatoliy Aleksandrovich Kozerskiy.
3. The members of the conciliation commission from the Russian Federation Federal Assembly Federation Council be guided in their work by observations made by the

Federation Council Economic Policy Committee in its findings on the said federal law (attached) [footnote] (not published in ROSSIYSKAYA GAZETA), and also by observations made during discussion of the said federal law at the Federation Council session.

4. This decree takes effect from the day of its adoption.

[Signed] Chairman of the Russian Federation Federal Assembly Federation Council Ye. S. Stroyev.

[Linkov commentary] Postscript to the Document

Before leaving for their summer vacation the State Duma deputies adopted numerous laws and passed on a bulky package of legal instruments for consideration by parliament's upper house. The senators gave their full attention to the Duma deputies' work. Most of the laws were approved and sent for signature by the Russian Federation president. But some did not meet with majority support and were rejected. Among the "failures" was the Law "On the Adoption and Implementation of Federal Targeted Programs." Why?

Every year the Russian Federation Government approves a wide variety of federal programs. Thus, in recent months more than 10 programs in a wide variety of fields have been adopted for implementation. These include programs to step up the fight against crime, to stabilize and develop agroindustrial production, to improve the employment level of Russia's population, and others. It should be pointed out straight away that a program is not simply a government document detailing who should do what and when. It also involves considerable sums of money, allocated for the implementation of measures of one kind or another. There are various sources of financing, but the main one is the federal budget. So there are always plenty of people keen to use any means to "get into" one program or another.

It is also entirely understandable that deputies should be keen to take a close interest in the rational use of taxpayers' money, the strengthening of financial discipline, and the efficient use of financial resources channeled into various sectors of the economy. And at the same time to increase the executive's responsibility for the choice of the federal programs presented. All this had to be expressed in the legal instrument. And the law was drafted and adopted by parliament's lower house.

But alas. Having considered the law the senators concluded that every problem which can arise between the two branches of power — legislative and executive — in connection with the adoption and implementation of programs is present in broad outline. And something similar has theoretically already been entrenched in pre-

viously adopted laws: on state forecasting and programs for the Russian Federation's socioeconomic development, on deliveries of goods for federal state needs, and in other documents.

At the same time the new law has not created a legal mechanism by which to regulate the economy in its current state and to establish both the criteria for prioritizing the financing of federal targeted programs and the principles governing their formation.

Or to take another point. The Center is constantly criticized for taking too much on itself, for wanting to deal with matters which could be dealt with far better locally. But the law provides no solution to this painful problem. The part played in the drafting and implementation of federal programs by Russian Federation components is not clearly specified. Since it is the regional heads who sit in the upper house, they simply could not let this pass.

Those provisions of the law which concern sources of financing also underwent fair criticism. The sources named include extrabudgetary ones. On one hand, this is a good thing because it implies that not everything will be taken from the state treasury; on the other hand, extrabudgetary sources which could be used for financing federal programs are nowhere to be found.

In addition to these observations the senators also differed from the State Duma deputies on a number of matters of principle. For example, the provision in Article 6 Paragraph 1 makes it possible to change or cut short a program's implementation if the Russian Federation Government ceases to provide the financing stipulated in the law on the federal budget. However, this conflicts with Article 114 of the Russian Federation Constitution, which establishes that responsibility for ensuring the implementation of the federal budget rests with the government.

Another contentious point is Article 8 Paragraph 1 of the law, which says that improper implementation or unfounded deviation from implementation of the program is grounds for the State Duma to examine the question of confidence in the Russian Federation Government. It may well be that such a provision is necessary to strengthen implementation discipline and increase responsibility, but in this case it is necessary to define all the circumstances which need to be present to establish the very fact of nonimplementation and deviation by the Russian Federation Government from implementation of the program. This was not done.

Having identified a number of other inconsistencies with current legislation in the law presented by the deputies, and having noted the internal contradictions of the

legal instrument, the members of the Federation Council rejected it and proposed the creation of a conciliation commission to overcome the disagreements.

This example of rejection of a law adopted by the State Duma also provides more evidence of several different approaches to lawmaking. The lower house of parliament today more closely reflects the distribution of political forces in the country. It is therefore not surprising that a legal instrument is sometimes adopted precisely to satisfy political interests. Whereas the upper house, composed of Federation component heads, is keen to defend regional interests and tries to exclude any hidden political agenda. It is natural that senators should try to adopt a principled approach to those draft laws which concern the federal budget. And not only because they are obliged to do so under Article 106 of the Russian Federation Constitution. Financial matters always have been and will remain the most sensitive area relations between the federal and regional authorities.

Regional Affairs

Russia: Lebed Cancels Visit To Meet Maskhadov for Talks

LD2508101596 Moscow ITAR-TASS in English
1000 GMT 25 Aug 96

[By Nikolay Zagnoyko]

[FBIS Transcribed Text] KHANKALA, August 25 (Itar-Tass) — A visit to the settlement of Novyye Atagi by Secretary of the Russian Security Council Aleksandr Lebed where he was to meet chief of staff of Chechen separatists Aslan Maskhadov has been canceled, Itar-Tass learned from military sources.

Journalists covering a visit to Chechnya by Secretary of the Russian Security Council Aleksandr Lebed had been staying for four hours near a helicopter landing site near a military base in Khankala, waiting until "the political weather" clarifies. Lebed has not turned up at the aerodrome.

Competent sources at the headquarters of federal temporary forces in Chechnya explained that the delay was apparently caused by the difficulty of problems of political settlement in Chechnya. In the opinion of these sources, the sides need additional consultations.

On Saturday, head of the self-proclaimed Chechen republic of Ichkeria Zelimkhan Yandarbiyev met head of a group of his advisers Ruslan Khasbulatov, which, apart from other factors, might have caused the sides to make corrections in their positions.

At the same time, on Saturday, issues of Chechnya's sovereignty were not included in the agenda. At issue

were problems of the executive power in the republic which should exercise management and control under conditions of a ceasefire put into effect, the same sources said.

Head of Chechnya Doku Zavgayev, whose representatives do not take part in the talks in Novyye Atagi, was reported to have assumed a cautious position on this block of problems.

Russia: Lebed Pledges To Sign Agreement With Chechens

LD2508125396 Moscow Russian Public Television
First Channel Network in Russian
1100 GMT 25 Aug 96

[From the "Novosti" newscast]

[FBIS Translated Text] A meeting between Security Council Secretary Lebed and rebel chief of staff Maskhadov, scheduled to take place in Chechnya this morning, has been canceled. We have just received a dispatch from Khankala by Anton Vernitskiy. [video shows armed men in uniform]

[Vernitskiy] Aleksandr Lebed did not hold talks with the Chechen opposition today. He said he needs to consult with Moscow, with the president and the prime minister, in order to be able to proceed with the talks.

[Begin Lebed recording] Before the document is signed, everyone will have their final say. They will air their objections, they will say what is wrong and what the inconsistencies are. After that, I will come back and sign it. I think this is the right thing to do. There are many people who are eager to turn that bloody showdown into kind of a political play. [end recording]

[Vernitskiy] Aleksandr Lebed left for Moscow today. Prior to his departure, he made an appeal to the Chechen people. Here is an excerpt from the appeal: Avoid provocative acts against the federal forces. Restrain those who are blind with hatred, and, despite everything, are prepared to commit crimes. A soldier is not the master of his own life; he just goes wherever he is sent. Just remember that those who open fire first are against peace on Chechen land.

This appeal was issued after a Russian federal convoy had been attacked and disarmed yesterday. Lebed said the Chechen side pledged today to return the weapons and to investigate the incident. As for the resumption of talks, Lebed says they will resume after some legal problems have been sorted out in Moscow. Meanwhile, the troops are leaving Grozny.

Anton Vernitskiy, Vladimir Solovyev, and Mikhail Novitskiy, Russian Public Television from Chechnya.

Russia: Lebed's Comments on Chechen Accord Reported

LD2308171496 Moscow NTV in Russian
1500 GMT 23 Aug 96

[From the "Segodnya" newscast]

[FBIS Translated Text] Correspondent Alim Yusupov, who flew to Chechnya along with General Lebed, returned last night:

[Begin recording] [Yusupov] Having signed an unprecedented agreement yesterday with Aslan Maskhadov, chief of staff of the Chechen armed formations, Aleksandr Lebed now urgently needs his powers confirmed. The plan provides for the immediate separation of the warring sides, the withdrawal of Chechen and federal military units from Grozny, and the subsequent complete withdrawal of Russian troops from the republic's territory.

The opinion circulating among military leaders both in Khankala and Moscow is that the fighters are using the agreement as a breather before a new offensive. This is what Interior Ministry head Anatoliy Kulikov, for instance, said aloud last week. Therefore, the agreement is unacceptable in the view of the security ministries.

On his way back from Chechnya tonight, Aleksandr Lebed made it clear that he intends to make the military carry out his agreement with Maskhadov:

[Lebed] The commanders I assembled received strict orders to implement it.

[Yusupov] So they agreed to implement it, Tikhomirov included?

[Lebed] I do not intend to persuade or ask anyone. I am in command here. I have legitimate powers. I have been entrusted with strategic leadership in the settlement. These obligations have been laid upon me, and the decree contains the necessary paragraph giving me the right to relieve anyone of their duties up to the rank of minister... [pauses] of deputy minister of the appropriate department. I will not fail to use it.

[Yusupov] At the same time, apart from the powers given to Aleksandr Lebed by the president, there is also Boris Yeltsin's decree on restoring the federal forces' control over the Chechen capital, which directly contradicts the conditions of the agreement signed yesterday. The secretary of the Security Council evidently pins great hope on his meeting with the president, but for now confines himself to saying he has not received any direct instructions from Yeltsin in person.

[Lebed] I was appointed the presidential envoy without talking to the president. I received a number of orders

from the president with facsimile signatures. I am not sure that all this displeasure being reported to me is coming from the president.

[Yusupov] The longer Lebed's ambiguous situation continues, however, the greater the chances are that the Lebed-Maskhadov agreement will be sabotaged. The grounds for this are quite real. For one thing, the secretary of the Security Council essentially forced Vyacheslav Tikhomirov, the commander of the federal forces, and Konstantin Pulikovskiy, his deputy, to abandon their quite firm intention of storming Grozny.

This agreement is possibly the first one acceptable to the Chechen side as it does not require them to disarm — an unacceptable condition — and it implies the eventual withdrawal of Russian troops from the republic's territory.

Vis-a-vis Lebed, Aslan Maskhadov does not conceal the fact that he fears for the current agreement:

[Maskhadov] The document we signed today gives the rogues who began this war — who are continuing it and who are finding it very hard to stop it today — a real chance to sober up. If Aleksandr Ivanovich is able to help us save both the Russian and Chechen people through his will and firmness, we will help him.

[Yusupov] This agreement may be a final, desperate attempt to settle the conflict peacefully. Final because if this sum of concessions to the Chechen side proves unacceptable to Moscow, the Chechens simply will not accept any others. Desperate because Aleksandr Lebed is risking all his powers and his post in the current situation. Lebed heads to Chechnya again tomorrow to sign a protocol on a package of military issues, but he is going there without the thing he returned to Moscow for — the president's support. [end recording]

Russia: Chechen Rebel Chief Maskhadov Wants To Continue Talks

LD2508161396 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 25 Aug 96

[FBIS Translated Excerpt] [Announcer] We start our news bulletin with the events in Chechnya. The talks to resolve the crisis there have hit some problems, which require Aleksandr Lebed to hold additional consultations with the federal leadership. He has returned to Moscow, and his meeting with [rebel chief of staff] Aslan Maskhadov today failed to take place. [passage omitted]

The meeting with Maskhadov was called off because of legal difficulties, Lebed said. Military sources, meanwhile, said the reason was yesterday's incident in

Groznyy, when rebels disarmed an Interior Ministry convoy. That was done by a so-called roving band, which is not part of the official military establishment of the Chechen opposition, we were told by Movladi Udugov, the head of the press and information department in Zelimkhan Yandarbiyev's government. He said the culprits had been detained and the weapons confiscated, to be returned to the federal authorities today.

Lebed, meanwhile, does not think that the incident gives grounds to suspend talks.

[Begin Lebed recording] We regard this as a misunderstanding, a misunderstanding of a confidential nature. If we have agreed that we are making peace, let us do it seriously. This incident or misunderstanding is a legitimate reason for me to appeal to the Chechen people. [end recording]

[Announcer] Maskhadov, in an interview with our radio station, said provocations like the one that took place yesterday in Grozny should not be a pretext for serious talks to be broken off.

[Begin Maskhadov recording] I found this roving group today. I found the specific culprit. That culprit has been arrested. The weapons will be handed over to the Russian side in the very nearest future. It would be wrong to call off my meeting with Vyacheslav Tikhomirov because of this incident. [end recording]

[Announcer] Maskhadov also voiced serious concern at yesterday's reports of the possibility of an attempt on Lebed's life.

[Begin Maskhadov recording] It was of no benefit to the Chechen side that Anatoliy Romanov departed and Anatoliy Shkirko or Tikhomirov arrived, because in Romanov we saw a man who had had his fill of the fighting and really did want to stop the war with the same sincerity as Lebed today. The reasons for what happened to Romanov must be sought, because therein lie the terrible forces that are now hindering the peace process. If, for example, anything should happen to Lebed, that would lead to a new surge in fighting. Everyone in Russia and Chechnya who really does want to end this war should use every endeavor to prevent a repeat. [end recording] [passage omitted]

Russia: Lebed, Maskhadov Postpone Meeting After Disarming Incident

LD2508092896 Moscow INTERFAX in English
0918 GMT 25 Aug 96

[FBIS Transcribed Text] GROZNY, Aug 25 (Interfax) — The meeting between Russian Security Council Secretary Aleksandr Lebed and Chechen rebel forces commander Aslan Maskhadov, slated to take place in

the village of Novyye Atagi south of the Chechen capital of Grozny at 10:00 a.m. Sunday, has been postponed, well-informed sources at Khankala, a Russian military base on the outskirts of Grozny, told Interfax.

The meeting was postponed because of Chechen separatist rebels disarming a Russian interior troops convoy on Saturday, a Russian military source told Interfax.

The incident took place on the Minutka square in central Grozny at around 5:00 p.m. Moscow time Saturday. An armored convoy of Russian interior troops was blockaded by a unit of separatist rebels demanding that the Russian troops relinquish their weapons. The separatists seized from the interior troops 58 fire arms, about a dozen of light machine-guns and 15 grenade launchers.

According to latest reports, Russian Federal Troops Commander Vyacheslav Tikhomirov has demanded that Chechen rebels "immediately" return arms seized from Russian interior troops on Saturday.

The incident breaches the August 22 accord on ending combat actions in Chechnya, the Russian federal troop staff told Interfax.

Under the August 22 accord, Russian federal troop units must be pulled out of the Vedeno and Nozhay-Yurt districts of Chechnya before August 26 and out of the Shatoy district before August 29.

Russian federal troop units must be re-deployed in the areas near the villages of Staryye Atagi, Kurchaloy and other villages.

Under the accord, Russian troops stationed in Grozny must be moved to the area where they were formerly deployed (Khankala, the Severnyy airport) or to new areas of deployment.

Under the accord, Russian troop withdrawal from Grozny must go hand in hand with the creation of joint commandant's offices.

A special commission will monitor the implementation of these agreements.

"If the separatists' leadership fails to meet the Russian demand and return captured arms before the end of Sunday, this may seriously complicate Lebed's further mission for a peace settlement of the Chechen conflict," a representative of the Russian military staff said.

Russia: Lebed Reportedly Upbeat Following Meeting With Maskhadov

LD2408210196 Moscow ITAR-TASS World Service
in Russian 2012 GMT 24 Aug 96

[By ITAR-TASS correspondents Nikolay Zagnoyko and Alvi Karimov]

[FBIS Translated Text] Groznyy, 24 Aug (ITAR-TASS)— Aleksandr Lebed, secretary of the Russian Federation Security Council returned to the army base in Khankala today.

Lebed arrived in Khankala from the village of Novyye Atagi, where his meeting with Aslan Maskhadov, the separatists' chief of staff, had taken place.

The talks will resume at 1000 on Sunday. The sides are expected to agree on a political document the same day.

A phrase thrown by Lebed to the owner of the house where the meeting had taken place may serve as an indirect indication of the security chief's mood. When leaving the house on Saturday, Lebed said: "Well, Rezvan, prepare a celebratory dinner for tomorrow."

Russia: Lebed Holds News Conference in Khankala, Leaves for Moscow

LD2508104496 Moscow ITAR-TASS in English
1034 GMT 25 Aug 96

[By Nikolay Zagnoyko]

[FBIS Transcribed Text] KHANKALA, August 25 (Itar-Tass) — Secretary of the Russian Security Council Aleksandr Lebed began a news conference at 13:30 p. m. Moscow time. He is expected to make an address to the people of Chechnya, Itar-Tass learned from military sources.

Shortly afterwards Lebed will fly to Moscow since his talks with the separatists scheduled for Sunday morning were canceled. Lebed said at the news conference that the reason for canceling the talks was juridical problems which arose while preparing a final document for signing. Lebed said that he intends to hold consultations in Moscow with the prime minister, head of the Foreign Ministry and heads of the Russian Ministry for Affairs of Nationalities.

At a meeting with journalists Lebed's press secretary Aleksandr Barkhatov said that the work on a block of political issues on Chechen settlement to be reached by the federal Centre and separatists had been suspended, but there is a hope that contacts would be continued.

Russia: Lebed, Chernomyrdin Satisfied With Chechen Peace Program

LD2608123896 Moscow INTERFAX in English
1224 GMT 26 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 26 (Interfax) — Russia's Prime Minister Viktor Chernomyrdin and Secretary of Russia's Security Council Aleksandr Lebed expressed "common satisfaction with the normalization process and cease-fire in Chechnya," says a press release of Lebed's press service.

Lebed acquainted Chernomyrdin with the draft agreement to be discussed during the next round of talks with chief rebel commander Aslan Maskhadov.

"The prime minister and the secretary of the Security Council unanimously stated that a number of provisions in the draft need a serious legal assessment, which is already being made by experts of the Security Council, the Russian president's State Legal Department and the ministries of justice, nationalities and foreign affairs," the document says.

During the discussion of the issues pertaining to the secretary of the Security Council's commission for the material, technical and financial backing of measures to settle the Chechen crisis, Chernomyrdin agreed that the commission should be chaired by First Deputy Prime Minister Vladimir Potanin, the press service announced.

Russia: Yeltsin, Government Support Lebed's Stance at Negotiations

LD2408142296 Moscow ITAR-TASS World Service
in Russian 1329 GMT 24 Aug 96

[By ITAR-TASS correspondent Gennadiy Yezhov]

[FBIS Translated Text] Moscow, 24 Aug (ITAR-TASS) — The proposals for a stage-by-stage settlement of the Chechen crisis that Russian Security Council Secretary Aleksandr Lebed is presenting at the negotiations with the Chechen separatists have been agreed with the president and the Russian government, Prime Minister Viktor Chernomyrdin stated today. "We have been jointly working out the federal side's position, which Aleksandr Lebed is presenting at the negotiations with the leadership of the Chechen separatists. Most importantly, Boris Yeltsin has been determining this position," he stressed. In an interview for the Russia TV channel's "Zerkalo" program, which will be broadcast on Sunday [25 August], the head of government noted that Boris Yeltsin and he himself had in conversations with Aleksandr Lebed congratulated the latter on the results achieved at the peace talks.

As for the recent criticism of Aleksandr Lebed by the president, Viktor Chernomyrdin said the "head of state is always entitled to be critical and is first and foremost critical of a lack of results in a person's work." At the same time, Viktor Chernomyrdin said the work of settling the Chechen crisis, "in which many ministries are involved, including the power-wielding ministries, is beginning to produce results." "The focus of this work is at present concentrated in the Security Council, its secretary Aleksandr Lebed is tackling the problems, and I am very pleased by this," the prime minister said. "I sincerely congratulated him today on his handling of the first stage of the problem."

Russia: Chechen Peace Talks Suspended

LD2508102596 Moscow ITAR-TASS World Service in Russian 1012 GMT 25 Aug 96

[By ITAR-TASS correspondent Nikolay Zagnoyko]

[FBIS Translated Text] KHANKALA, (suburb of Grozny), 25 Aug (ITAR-TASS) — Work on the set of political issues involved in a Chechen settlement between the federal center and the separatists has been suspended, but it is hoped that contacts can be continued. Aleksandr Barkhatov, press secretary to the secretary of the Russian Security Council, announced this today at a meeting with journalists in Khankala.

Russia: Chechen Rebel Leader Yandarbiyev Meets Khasbulatov

LD2408193796 Moscow ITAR-TASS World Service in Russian 1917 GMT 24 Aug 96

[By ITAR-TASS correspondents Nikolay Zagnoyko and Alvi Karimov]

[FBIS Translated Text] Novyye Atagi, 24 Aug (ITAR-TASS) — Chechen separatist leader Zelimkhan Yandarbiyev met Russian Khasbulatov, head of a group of his advisers in a village in Urus-Martanovskiy district in Chechnya today.

In an interview for ITAR-TASS Khasbulatov said that problems connected with the search for compromise in the current conflict had been under discussion. He thinks that a political resolution of the crisis should not encroach on the interests of the sides.

Khasbulatov also said that yesterday he had had a long conversation with Russian Prime Minister Viktor Chernomyrdin discussing the situation that has taken shape in Grozny and Chechnya. He said the Russian prime minister helped him to fly to Chechnya.

The high powers that the Russian president has vested in Aleksandr Lebed make it possible to hope that the war will be brought to an end once and for all, Khasbulatov

thinks. Provocations and occasional clashes should not hold the peace process back.

Russia: Talks Between Tikhomirov, Maskhadov Not Held

LD2508135496 Moscow INTERFAX in English 1333 GMT 25 Aug 96

[FBIS Transcribed Text] GROZNY, Aug 25 (Interfax) — Talks between federal troops commander in Chechnya Gen. Vyacheslav Tikhomirov and Chechen rebel commander Aslan Maskhadov, scheduled for 3:00, Moscow time, Sunday, have not been held, sources in the federal troops command told Interfax.

An agreement on the talks was reached during a meeting between the Chechen separatist leaders and Secretary of Russia's Security Council Aleksandr Lebed, who flew out from Chechnya to Moscow earlier today.

These talks were to produce a protocol on joint measures to implement the cease-fire agreement in Chechnya, Lebed told reporters before his departure to Moscow.

A Russian officer said that talks between Tikhomirov and Maskhadov did not take place because the separatists had not fulfilled the demand for giving back the weapons taken away from Russian interior troops on Saturday.

An interior troops column returning to its permanent base in the Severnyy airport was blocked by a group of women in Grozny's Minutka Square. The women demanded that the federal troops leave from Chechnya. Behind the women's backs stood rebels who ordered the Russian servicemen to surrender arms.

Tikhomirov told reporters in Khankala (a military base outside Grozny) that he would not meet with Maskhadov until the seized weapons are returned. "I'm not going to play the cat-and-mouse game," said Tikhomirov.

The demand that the rebels return the captured weapons was advanced by Tikhomirov during a telephone conversation with Maskhadov who promised to do everything in his power "to settle this unpleasant incident," the source said.

Russia: Russian Withdrawal From Grozny Suspended

LD2608124096 Moscow ITAR-TASS World Service in Russian 1157 GMT 26 Aug 96

[By ITAR-TASS correspondent Boris Kipkeyev]

[FBIS Translated Excerpt] Moscow, 26 August (ITAR-TASS) — The federal side has suspended today's

planned withdrawal of six units of Internal and OMON Troops from the Chechen capital until the separatists return the arms which they seized from federal servicemen on Saturday [24 August]. ITAR-TASS was informed of this by telephone from Grozny by Major-General Protopogen [as received] Andriyevskiy, deputy commander of the Russian Interior Ministry's Internal Troops in Chechnya.

According to Andriyevskiy, 58 weapons had still not been returned as of 1510 hours Moscow time [1110 GMT]. "We are ready to move at five minutes' notice. The convoys have been made ready. Routes to be followed by the units have been drawn up," General Andriyevskiy stressed. "If the opposition return the weapons, we will be able to start withdrawing (these units, which number about 1,500 men, within half-an-hour." [passage omitted]

Russia: Chechen Situation Update 26 Aug

LD2608074196 Moscow INTERFAX in English
0653 GMT 26 Aug 96

[FBIS Transcribed Text] GROZNY, August 26 (Interfax) — A serviceman from the 506 Motorized Rifle Regiment was killed by a sniper in Chechnya last night, a Russian military command spokesman reported, adding that Russian positions in Chechnya were shelled 16 times over the past 24 hours, 11 times in the capital Grozny. Militants also launched attacks in Argun and Urus-Martan.

"Under the pretext of negotiations," separatist units have been demanding the surrender of arms and ammunition from selective Russian military targets, the source said. In Argun yesterday, rebels sealed off the local commandant's office and demanded that all those inside lay down their guns. Attempts "to defuse the situation have not succeeded up till now," the spokesman said, reporting that a separatist detachment also demanded that a unit of the 204 Motorized Rifle Regiment, locked between the Shali and Serzhen-Yurt villages, hand in arms and ammunition.

In Grozny, rebels sealed off 10 check points in the Staropromyslovskiy district. "They are demanding that the servicemen surrender 50 percent of the arms and ammunition stored at the check point," the spokesman said, adding that "despite the Grozny demilitarization accord, separatists are continuing to fortify their positions in the city." The spokesman also reported that a 200-strong rebel unit has taken up positions around Staraya Sunzha, a suburb of Grozny, and controls micro districts number four and five in the capital.

According to the source, separatists have been trying to uncover and kill people who pledged loyalty or collabo-

rated with the Moscow-backed Doku Zavgayev government and the Russian command in Chechnya. "There is evidence that more than 15 people shot in the head at close range were buried at the Chernorechenskoye cemetery last week," the spokesman said.

Russia: Correspondent Reports Chechen Rebels Return Wrong Weapons

LD2608110796 Moscow Radio Rossii Network
in Russian 1000 GMT 26 Aug 96

[FBIS Translated Text] Let us go back to Lebed's return to Moscow. It occurred just when events in the republic were making many wonder if the truce would break down two or three days after it was signed. Nevertheless, as our correspondent reports, the scale of the confrontation and sporadic armed clashes is frequently exaggerated. Our correspondent Nikolay Mamulashvili reports on what has happened and what has not happened in Chechnya during the last 24 hours.

[Begin Mamulashvili recording] I remind you that on 25 August about 400 members of the armed opposition, supported by two tanks, surrounded 100 Russian Internal Troops at their command post. The fighters demanded that the soldiers hand over their weapons. Some media reports also claimed that the fighters had sealed off Severnyy airport. Russian military spokesmen told me these reports were incorrect. According to staff officers, 400 men — even if they are well armed — could not seal off the Severnyy garrison. At least 15,000 men, supported by a large number of tanks and artillery, would be needed for such an operation.

By the way, the fighters have still not returned all the weapons seized from 58 Russian servicemen at Minutka square. I remind you that that incident — or misunderstanding, as Aleksandr Lebed described it — was the reason General Vyacheslav Tikhomirov, commander of the temporary joint grouping, did not go to meet Maskhadov on 25 August. Tikhomirov told me he did not intend to play a cat-and-mouse game, let them return the weapons first.

At about 1300 on 26 August it was learned that the fighters had actually returned some of the weapons. However, according to some reports, the barrel numbers of these weapons are not the same as those on the stolen weapons.

As far as the Tikhomirov-Maskhadov meeting is concerned, it may go ahead today after all. However, the precise time of the talks is not known. [end recording]

**Russia: Lebed's Peace Plan for Chechnya
'Unrealistic'***MK2408123696 Moscow NEZAVISIMAYA GAZETA
in Russian 24 Aug 96 p 1*

[Report by Sergey Arbuzov under the general headline: "Bloodshed in Chechnya Has Temporarily Stopped. Aleksandr Lebed and Aslan Maskhadov Hope To Sign New Peace Documents"]

[FBIS Translated Text] At present there are more than 40,000 Russian Internal Affairs Ministry and Defense Ministry troops in Chechnya. After a possible pullout of forces, which was announced by Lebed, almost 10 times fewer federal troops will remain in the Chechen Republic. Federal forces as a factor of deterrence and federal power support in Grozny will cease to exist. The situation will recall the spring of 1992, when the Dudayevites simply deported military servicemen from their republic.

If the federal authorities continue their contacts with the separatists, it can so happen that the republic's key populated areas will end up under the control of Yandarbiyev supporters. It is highly likely that with such a setup the Zavgayev grouping will simply sink into oblivion. Control of Chechnya will simply pass to the separatists. But this scenario is unlikely for at least two reasons. First, raw material interests at the highest level in Moscow want the pipeline "of the century," for the transportation of oil from the Caspian to Black Sea ports, to pass via the Chechen Republic. And they will do all in their power to ensure that at least flatland Chechnya is controlled by the federals. So, an exodus of troops from Chechnya is unlikely, as is, incidentally, the exodus of Russians from the Chechen Republic or the republic's separation from the Russian Federation.

Second, the "Lebed-Maskhadov" plan is unrealistic, because both the Dudayevites and the federals have their own "Party of War" that does not stand for compromise. The federals' Slavic spirit is, of course, less ambitious, but it appears that the military, if anyone, will not be able to get along with the separatists. There are too many losses and grievances involved. The military will never be able to consider themselves defeated and will seek revenge. So, the military's ambitions objectively coincide with the tasks of the federal authorities. And this rather suggests that bloodshed and deaths will continue in the Chechen Republic. There is an urgent need for a third, disengagement-and-peacekeeping force that will extinguish the conflict. But it will certainly not be allowed into Russia. Which means that bad news should soon be expected from the Chechen Republic.

Economic Issues**Russia: Chernomyrdin Views Tax, Budget Revenue Policy***MM2608103596 Moscow ROSSIYSKAYA GAZETA
in Russian 24 Aug 96 pp 5-6*

[Unattributed, abbreviated account of Premier V. Chernomyrdin's speech at the 13 August session of the Russian Federation State Tax Service Collegium in Moscow: "You Have To Prepare To Meet Tax Inspectors as if It Were Your First Date"]

[FBIS Translated Text] Almost immediately after being reappointed premier, Viktor Chernomyrdin took part in a conference of the leaders of Russia's regional tax organs. The speech by the head of the embryonic government at the State Tax Service was largely conceptual in nature and was of by no means local interest. We quote it with certain abridgments.

The country is currently at a very tense point in the transitional period in the economy — when one stage of reform is over and another is beginning. Two complementary sets of tasks are being resolved.

The first is stabilizing finances in the broadest sense of the word, organizing all components of the payments and transaction mechanism, slowing the pace of price growth, and strengthening the ruble.

The second — figuratively speaking — is site clearance and preparation for future economic growth. The main point here is to begin the reform of enterprises, to boost investment, and to pursue an active industrial policy.

The galvanization of social policy with a view to stabilizing prices and boosting Russians' living standards will require considerable effort and resources.

Naturally, the basis for resolving all these tasks is state revenue — primarily taxes.

Take, for instance, the stabilization of finances. As a rule, inflation is always at the center of attention. Of course, this is a clear indicator. Since the start of the year prices have increased by just 15.5 percent. This is an undoubted achievement against the backdrop of the fact that in the first few years of reform this kind of percentage was a sort of monthly "norm." In June price growth was 1.2 percent, in July it was 0.7 percent. Thus, we can be said to have mastered the practical methods of regulating inflationary processes.

But that is one side of the coin. The other is defaulting, the rise of barter, the continuing recession, excessive generosity in granting various kinds of concessions, and mass tax evasion.

The budget's revenue base has been narrowed and distorted. Up to one-fourth of GDP currently escapes taxation. In the sphere of services and the trading sphere the figure is even higher — up to 40 percent. And industry's share of tax revenues to the consolidated budget is 50 percent higher than its share of GDP.

The most important feature of all this is the imbalances it creates in the budget. Consequently, I would now put the most important point as follows: We have to learn to execute the budget. Otherwise the successes of our antiinflation policy will be up in the air.

According to preliminary figures, in the first six months of this year the federal budget was 88-percent executed on the revenue side and almost 100-percent executed on the expenditure side. And the federal budget deficit was 63 trillion rubles (R), or 70 percent of the entire target for the year.

To put our budgetary problems in a nutshell, they boil down to two issues — the deterioration of tax collection and the distortions on the revenue side of the budget.

Let me quote an example — the federal budget has allocated around R50 trillion since March to pay wages and other social transfer payments. This is a more than two-fold increase. Budget support for industry, power generation, construction, and fundamental research has halved correspondingly.

I will be blunt — the situation is tense. That is why the main task through the end of 1996 is to normalize budget execution. The minimum expenditure needed is around R130 trillion (including R50 trillion for the power ministries and departments alone). This means that at least R60 trillion in additional budget revenue will have to be mobilized in the second half.

Currently, as is well known, the government has set up a task force for elaborating and implementing measures to strengthen the revenue side of the budget. I have to say that solutions have already been found for raising R40-45 trillion in revenue. These measures mainly relate to tightening controls over the production and trade of alcoholic products, targeted work with the largest tax defaulters, and changes to customs regulation.

The other desperately needed budget funds will be found from reserves such as the elimination of the practice of tax exemptions and other nonmonetary forms of settlement with the budget, the reduction of the number of tax concessions, the suspension or abolition of previously adopted spending decisions not taken into account in the 1996 budget, the tightening up of controls over natural monopolies, the introduction of duty on imports of foreign exchange, and a levy on the

utilization of cash for purposes unrelated to the payment of pensions and salaries.

I hope that the transition to a simplified system of taxation in the sphere of trade and services on the basis of so-called imputed earnings will also have a considerable effect. Essentially this is a kind of payment for a certificate, but one based on gross earnings. Naturally, existing tax rates in this sphere of the economy should be approximately halved. I am convinced that this measure, which is successfully employed in all industrially developed countries, will provide not only funds, but new experience of a civilized relationship with entrepreneurs.

The government is ready to submit drafts of this and a number of other tax laws to the State Duma together with the 1997 budget. I hope they will be examined as a priority and will start operating this year. The lowering of profits tax rates and the abolition of many concessions will in practice mark the start of tax reform even before the full adoption of the Tax Code by parliament.

A great deal of work will have to be done at local level. First, it will be necessary to achieve fulfillment of the targets for tax collection to the federal budget set for Federation components by the end of the year. Second, it will be necessary to take a kind of inventory of regional and local taxes introduced in 1994-1995 but not envisaged by existing legislation. All of these, as a rule, are levied on enterprise profits. There are lots of controversial and harmful aspects to this. We need to look into it.

Targeted work has already been begun at 70 of the largest debtor enterprises. We need to move further. The practice of recovering arrears from debtors' property must be applied more extensively and strictly. We will even have to declare certain enterprises bankrupt.

The decision has now been made to grant joint-stock companies the right to pay their tax arrears by issuing extra shares. Tax organs will have to strictly monitor this process in close conjunction with the Federal Commission for Securities.

These are, of course, complex tasks. Above all, we need to develop "tax techniques" to take account of the normatives of next year's federal budget. The total tax levied of R20 trillion in July should be brought up to R30-32 trillion in December. Otherwise it will be very hard to increase the level of federal budget revenue as a percentage of GDP from the maximum of 12 percent expected this year to the minimum 15.5 percent laid down in the draft budget for 1997. If we fail to learn how to collect taxes, we will destroy the budget this year and next. If we fail to keep the budget in check,

we will stoke inflation and set the country's economy back. I think all that is understandable.

The tax service suffers in full measure from the overall "failing" of the state administrative system — a lack of firmness and consistency — both in the battle against corruption and in curbing economic behavior whereby profits are acquired independently while costs are passed on to the state, employees, or business partners. Sometimes there is even a lack of will to oppose the pressure from various lobbying groups.

It is also hard to explain why, with approximately equal economic conditions and with all the parameters of the tax base in various regions being the way they are, tax collection indicators vary by a factor of two or more.

Or one other example — in a number of Federation components the collection rate of local taxes and imposts has been running steadily ahead of federal tax collection rates. Federal tax requirements are often met by no more than 50-60 percent, while local taxes are met 100 percent or more.

Psychologically this is understandable — the local administration is nearby and the federal government is far away. We cannot tolerate this position any longer. We have the corresponding financial and administrative levers.

Over the last six-eight weeks we have managed to achieve the first positive improvements in tax collection. I link this to the change in the political, social, and psychological situation following Boris Nikolayevich Yeltsin's presidential election victory and the start of the implementation of a number of government decisions. Nor am I disregarding the work done by the State Tax Service itself over the past few months, and the initiative shown by its leadership.

But I cannot help thinking that the real effect from all these efforts has so far been very, very small. And the main thing is that a culture of tax payment — which is the mark of a civilized society — has not yet come about. After all, for citizens of the United States, Germany, or France not paying your taxes is virtually the most terrible crime, and the annual interview with the tax inspector is an important meeting for which taxpayers must prepare as if it were a first date. We have a long way to go before we get to that point. But there is no other option.

We have to foster a taxpaying culture by mobilizing all our opportunities — from secondary school to special propaganda programs like those developed and used during the years of mass privatization. There is a proposal that a forum on the problems of taxation, depreciation, and enhancing the role of development

banks in this sphere should be convened in conjunction with associations of entrepreneurs. We have things to say and recommend to each other.

Russia: Law Amends 1996 Federal Budget Law

MM2308134096 Moscow ROSSIYSKAYA GAZETA
in Russian 23 Aug 96 p 6

[Russian Federation Federal law No. 120 "On the Introduction of Changes and Additions to the Federal Law 'On the Federal Budget for 1996'" adopted by the State Duma 19 July 1996, approved by the Federation Council 7 August 1996]

[FBIS Translated Text] Moscow, Kremlin, 21 August 1996 — Article 1. Introduce to the Federal law "on the Federal Budget for 1996" (collected legislation of the Russian Federation for 1996 no. 1, p 21) the following changes and additions:

1. In article 16:

1) point 7:

in the first paragraph the words "Industry, power engineering, and construction 49509586.4" should be replaced with the words "Industry, power engineering, and construction 50009586.4";

in the 10th paragraph the words "Other sectors of industry 974252.7" should be replaced with the words "other sectors of industry 1474252.7";

2) in the first paragraph of point 19 the words "Other expenses 63683812.9" should be replaced with the words "Other expenses 63183812.9".

2. The federal law should be supplemented by article 16(1) as follows:

"Article 16(1). In 1996 appropriations from the federal budget not exceeding value added tax payments made to the federal budget revenue by these organizations should be channeled into supplementing the textile and light industry organizations' own working capital."

3. Funds channeled into supplementing the working capital of textile and light industry organizations from the federal budget in accordance with points 1 and 2 of article 1 of this Federal Law are considered as a corresponding increase in the state share in the incorporation capital of the organizations which receive the funds.

4. In article 35 the words "in a volume of 1,500 billion rubles" should be replaced with the words "in a volume of 1,000 billion rubles."

Article 2. This federal law enters into force on the day of its official publication.

[Signed] Russian Federation President B. Yeltsin

Russia: Cabinet Debates 1997 Budget

MM2308110096 Moscow ROSSIYSKAYA GAZETA
in Russian 23 Aug 96 p 6

[Report by Irina Nevinnaya: "Tougher Taxes. Fewer Concessions"]

[FBIS Translated Text] Yesterday the new cabinet of ministers sat for the first time. Immediately, according to the agenda, it had to study a global problem: the discussion of the draft budget for next year. It should be submitted 31 August to parliament for approval.

The overall preliminary figures are as follows. The revenue part of the federal budget should be 422.6 trillion rubles [R] and the expenditure part R511.7 trillion. The budget deficit is thus planned at R89.1 trillion, which is R1 trillion less than this year.

A reduction in the rate of tax on profit is planned. That will reduce the revenue section by R11 trillion but at the same time there will be a reduction in concessions for untaxed profit, which will compensate for the losses.

The Ministry of Finances also proposes to repeal preferential tax rates for corporate securities and to abolish concessions for value added tax, including housing construction, which will give the treasury R5 trillion. An increase in excise duty on alcohol will add a further R1.6 trillion and the increase in excise duty on gasoline R5 trillion. As a whole the change in legislation will ensure the injection of something like R40 trillion into the budget. As for the expenditure section, it is planned drastically to reduce the number of subsidies and transfers for inefficient sectors and to itemize their expenditure. There will be a marked increase in the volume of financing for the power structures. But conversely the volume of capital investments will be reduced, comprising R25 trillion.

An individual report on the solution of social problems in society was delivered by Gennadiy Melikyan, minis-

ter of labor and social development. In his opinion the social tension in the country requires intervention at the level of the budget's formation. So the minister submitted for the cabinet's discussion a package of draft laws concerning the social sphere.

According to him the Pension Fund situation is particularly serious. The revenue part of its budget for 1997 is forecast at R186 trillion. That is not enough. So it is planned to increase insurance subscriptions and payments from 28 to 29 percent of the wages fund for enterprises and from 1 to 2 percent for individuals. That will make it possible to add R12.5 trillion to the Pension Fund budget.

Russia: Coal Miners Call Off 26 Aug National Strike

LD2308134896 Moscow Russian Television Network
in Russian 1300 GMT 23 Aug 96

[From the "Vesti" newscast]

[FBIS Translated Text] The indefinite coal miners' strike scheduled for 26 August will not take place. An agreement to this effect was reached today in the course of talks between the heads of the Finance Ministry and members of the conciliatory commission set up to settle the problems of the coal industry. The RIA-Novosti agency was told this by Andrey Petrov, the first deputy minister of finance, who has been heading these talks. According to Petrov, the two sides have managed to agree their positions. The Finance Ministry is to pay off the debts [to the coal industry] owed by the state by 1 September. For their part the miners will call off their prestrike preparations.

The members of the conciliatory commission will be received today by Prime Minister Viktor Chernomyrdin and Finance Minister Aleksandr Livshits.

International Affairs

Ukraine: Prime Minister on Cooperation With Russia

MK2308120996 Moscow NEZAVISIMAYA GAZETA
in Russian 22 Aug 96 p 1

[Article by Andrey Kapustin: "Ukrainian-Russian Ties Are Developing in a Normal Way. Prime Minister Lazarenko Is Confident About Cooperation Prospects in the Field of Aircraft Construction and the Gas Sector"]

[FBIS Translated Text] Ukrainian Prime Minister Pavel Lazarenko had his first meeting with media workers in the National Press Club following the endorsement of his candidacy for the post of premier by the Supreme Council. A number of questions touched on Mr. Lazarenko's forthcoming visit to Moscow and prospects for the development of Russian-Ukrainian relations.

Ukraine's prime minister said in assessing the expected talks with Viktor Chernomyrdin: "Of late, the process of economic relations, the process of signing some or other agreements that were worked out earlier this year, has been somewhat suspended. The reasons are objective and, in my view, can be accounted for by the latest events in Russia — the elections coupled with the post-election situation.

"What are, to date, the main issues at the forthcoming meeting? We have questions both on the economy and those relating to the division of the Black Sea Fleet, as well as questions having to do with the general agreements between the two countries. In addition, I would mention 18 accords that have been prepared for signing with Russia and thoroughly worked out by both the Russian and the Ukrainian side. It is not we alone who are interested in this. When on my last visit to Moscow, I became convinced that Russian ministers also desire this. Some of them, including the fuel-and-energy complex representatives, approached me, saying: 'Dear Mr. Prime Minister, let us start making decisions, since this affords an opportunity of working both for you and for us.' So both the Russian and the Ukrainian sides are interested in having the documents signed as soon as possible."

As an example of documents already in force, Ukraine's prime minister cited agreements on aircraft construction, saying that by the end of this year Ukraine will be prepared to launch three new aircraft models. He said, in particular: "A meeting has recently been held with representatives of ministries, departments, and companies working directly on manufacturing and completing the construction of An-70, An-38, and An-140 aircraft. It is with pleasure that I note that the agreements in this field

signed by the governments of Russia and Ukraine a few years ago are working. Nothing other than that is envisioned; it is only necessary that they be observed and financed to the full extent. The government of Ukraine, for its part, is meeting the obligations set forth. The first payments have already been made, and we are very interested in improving the situation at the enterprises involved in production, design, and deliveries in order to be able to change the situation for the better. It is in that direction that we have advanced best of all. I think that by the end of the year we shall have three new joint aircraft that will make their presence felt to the full extent."

Pavel Lazarenko's words have been fully confirmed by the director general of the Kharkov Aircraft Plant, Anatoliy Myalitsa, who told your NG [NEZAVISIMAYA GAZETA] correspondent: "Construction of the An-70 aircraft is in full swing now at the Antonov ANTK [expansion unknown] in Kiev, and Designer General Balabuyev is doing all in his power, and even not in his power, so that the aircraft will go up in the sky. By that which is not in his power, I mean that the aircraft is after all being constructed in the absence of funding. This shows trust on behalf of the producers of aircraft in Russia; this shows trust on behalf of the manufacturers in Ukraine. The An-38 aircraft of Antonov ANTK design are now being manufactured in Novosibirsk. Experimental prototypes have already been created. This plane will rank high among Ukrainian aircraft."

To a question from your NG correspondent about prospects for deliveries of Russian gas to Ukraine and the state of joint work in this area, Pavel Lazarenko said: "The accords and the agreements worked out early in 1996 meet the approach of both RAO [joint-stock company] "Gazprom" and "Ukrzazprom." The calculations are being made more or less satisfactorily. However, it is important that the routine overhaul of the transit system on the Ukrainian territory be carried out, and the money be found for that. We also stipulate the possibility for Russian capital to be tapped. There are turbines, and there is pumping equipment which is need of repair since its term of operation has expired. Also, during my last visit to Russia, we dwelled mostly on this point. Not on current problems, not on how business entities that solve the problems of deliveries are operating, but exactly on the state of the transit system. This was the most important, since it requires considerable expenditure, on behalf of both "Ukrzazprom" and RAO "Gazprom." I am confident that in the near future, just in a few weeks, an agreement will be signed that will make it possible to considerably remedy the situation with payments for the gas, and, on the whole, with cooperation in this sphere."

**Ukraine: Kuchma Views Relations With Germany,
Upcoming Kohl Visit**

AU2508155696 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 24 Aug 96 pp 1, 2

[Report by Werner Adam on interview with Ukrainian President Leonid Kuchma in Kiev; date not given: "Ukraine Feels Let Down"]

[FBIS Translated Excerpt] Kiev, 23 August — Five years after proclaiming its independence, Ukraine is still not sure "whether it is welcome as an independent state on the European map." President Kuchma feels sufficiently supported by the United States, but he still wonders whether West Europe is able to judge his country's role correctly and whether one has realized "that Moscow is Moscow, and Kiev is Kiev." He counts on German Chancellor Helmut Kohl's upcoming visit to Kiev and expects Germany to increase its support for Ukraine's integration in the political and economic structures in Europe. "European integration is our intended and strategic choice, which is not only dictated by logic and by our past, but also by our concern for the future," Kuchma said in an interview with FRANKFURTER ALLGEMEINE. [passage omitted]

In the Ukrainian president's view, his country's present relations with Germany offer "promising perspectives," but "significant efforts" are still necessary to strengthen these relations. Ukraine is currently improving the country's climate for investments. The new Constitution, which exerts a "stabilizing influence" on the entire society, is a positive factor in that. The predominance of councils has been overcome; Ukraine is "firmly on its way to an independent democratic state with a socially oriented market economy." To receive political and economic support on this path is the biggest hope that Kuchma places in Kohl's visit to Kiev at the beginning of September.

Bonn has so far been unwilling to work out a joint declaration that would support that wish, although such a gesture could do much in terms of relieving Ukrainians of the feeling that, compared with Russia, they are being neglected by Germany, sources close to the president said with some regret.

**Ukraine: German Funds To Help Kiev Destroy 5
Nuclear Missile Silos**

LD2308135796 Moscow ITAR-TASS in English
1349 GMT 23 Aug 96

[By Raisa Stetsyura]

[FBIS Transcribed Text] KIEV, August 23 (Itar-Tass) — Five silos for strategic nuclear missiles will be destroyed in Ukraine before the end of the year. The Ger-

man government allocated for these purposes 3.5 million German marks, which is recorded in an intergovernmental Ukrainian-German protocol, the Ukrainian Defence Ministry told Itar-Tass on Friday.

Ukraine received from Germany 3.1 million marks over the past two years. The funds were spent on working out technologies of ecologically-safe destruction of silos.

Under the obligations assumed, Ukraine is to destroy 36 per cent of all silos within seven years.

**Ukraine: Radioactive Materials Found on Plane
Headed for Baku**

WS2608092396 Lvov INFOBANK in English
0845 GMT 26 Aug 96

[From "News Service" feature]

[FBIS Transcribed Text] Lvov, 24 August — The plane, bound for Baku (Azerbaijan) and carrying nuclear materials and over three tonnes of explosives from the Netherlands, was arrested in Lvov airport when it landed there for refueling. Several containers with radioactive materials were found during a routine customs inspection of the plane. The news was reported by Radio Lux August 23.

The plane belonging to a local company was leased by a Dutch company to carry the cargo to Baku. According to the flight documents, the explosives are earmarked for the international oil project Shelf in Azerbaijan, while the radioactive materials are being transported to a third country. However, the officials refused to name the country, Radio Lux reporter says. As Vyacheslav Dzyubenko, Lvov Oblast Civil Defense Staff chief, said, radiation levels within the plane did not exceed the radiation background.

**Ukraine: Ministry Says Chinese 'Ire' at Taiwan
Premier's Trip 'Improper'**

LD2308122796 Moscow INTERFAX in English
1217 GMT 23 Aug 96

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] KIEV, August 23 (Interfax-Ukraine) — A trip by Taiwan's Prime Minister Lien Chan to Ukraine was nothing but private, being part of scientific contacts with Kiev University, says a Ukrainian Foreign Ministry statement, adding that the Ukrainian leadership had no contact whatsoever with the visiting group of Taiwanese scientists.

The ministry voiced puzzlement at "the improper reaction of the Chinese side to the private visit to Ukraine by a group of scientists and businessmen from Taiwan.

"Information about the trip has drawn a mixed response in media because, as it later transpired, the delegation included Taiwan's Vice President and Prime Minister Lien Chan," the statement says.

According to the foreign ministry, on his entry into Ukraine Lien Chan was introduced as an international doctor of law, leading a group of scientists. "However, Taipei media have been actively spreading reports about the allegedly official nature of Lien Chan's trip and contacts with Ukraine's state and government leaders, the statement says, adding that this "totally contradicts the reality."

The ministry reiterated Ukraine's unchanging policy toward China in line with the basic bilateral political documents on the so-called "Taiwan issue" and noted that Ukraine stood by "the 1994 Kiev and 1995 Beijing declarations, recognizing the government of the People's Republic of China as the sole legitimate government of China, an inseparable part of which is Taiwan."

"The private visit by a group of Taiwanese scientists will have no adverse effect on further dynamic development of the traditionally friendly Ukrainian-Chinese relations," the ministry said.

Meanwhile, a trip by an official Chinese delegation to Ukraine was unexpectedly cancelled earlier this week. The delegation was invited for festivities marking the fifth anniversary of Ukraine's independence. Some observers have construed the cancellation of the visit as Beijing's ire over Lien Chan's visit to Kiev.

Ukraine: Special Services Reportedly Beat Up Correspondents in Sevastopol

LD2408123296 Moscow Mayak Radio Network in Russian 1020 GMT 24 Aug 96

[FBIS Translated Text] On 23 August Anna Konyukova, NTV's special correspondent in Crimea, and her cameraman, Viktor Sosnovskiy, were brutally beaten up by representatives of the Ukrainian special services during a rally held in Sevastopol. The victims of the beating told INTERFAX they had been filming an unauthorized rally in central Sevastopol, organized by pro-Russian organizations in Crimea. The demonstrators were not allowed onto Nakhimov Square, which was sealed off by three cordons of police. The rally was held to mark the second anniversary of the adoption by Sevastopol town council of a decision on Sevastopol's Russian status.

When the correspondents tried to film, they were constantly impeded by people dressed in plain clothes, who put their hands over their camera, pushed them about, and advised them to stop filming. When the

journalists got into their car, some young people in civilian clothes ran up to them and started beating them up. The cameraman had his camera snatched from him. The cassette with the recording of the rally was ripped out. The incident took place in full view of the police. Konyukova appealed to them for help, but not a single policeman came over. Furthermore, when the NTV correspondents reported the incident to a police station, the police spent four hours trying to make out that the attackers were hooligans motivated by personal gain.

National Affairs

Ukraine: Military Parade Marks Independence Day 24 Aug

LD2408123196 Moscow ITAR-TASS in English 1158 GMT 24 Aug 96

[By Raisa Stetsura]

[FBIS Transcribed Text] KIEV, August 24 (Itar-Tass) — A military parade was held in Kiev on Saturday [24 August] to mark the fifth anniversary of Ukraine's independence. The event was attended by President Leonid Kuchma, Parliament Speaker Moroz, Premier Pavel Lazarenko, and other Ukrainian senior officials and guests.

Addressing the participants of the parade, Ukrainian Defence Minister Kuzmuk said that the country's armed forces "fully correspond to the interests of ensuring national security of the state."

Representatives of all the kinds of the Ukrainian armed forces marched along Kiev's main street Kreshchatik.

A 30-gun salute will be fired in Kiev on Saturday night.

On Saturday and Sunday, all Ukrainian cities were to hold festivities, festivals and exhibitions to mark Day of Independence.

Speaking at a ceremonial sitting on the eve of the holiday, Kuchma noted that, "in the five years of independence, Ukraine formed all the attributes of statehood, adopted a new constitution and laid a basis for market relations, Ukraine was recognised by the world community."

Relations with Russia are of great importance for Ukraine. Russia was and remains Ukraine's most important partner, Kuchma stressed.

The president expressed the hope that, "after the democratic presidential elections in Russia, favourable conditions will be created to settle the primary tasks: signing a wide-ranging agreement, final agreements on dividing

the Black Sea Fleet and terms for basing of the Russian part of the fleet in Ukraine's territory."

Ukraine: Crimean Supreme Council Chairman Disappears

LD2508235696 *Moscow ITAR-TASS World Service in Russian 2335 GMT 25 Aug 96*

[by ITAR-TASS correspondent Vitaliy Gordiyenko]

[FBIS Translated Text] Simferopol, 26 Aug (ITAR-TASS)— The presidium of the Supreme Council of Crimea is to hold an extraordinary meeting today to discuss the disappearance on Saturday of Yevhen Suprunyuk, chairman of the autonomous region's Supreme Council. The ITAR-TASS correspondent learned this today at the press center of the Crimean Supreme Council.

According to the press center, Yevhen Suprunyuk disappeared after having driven to his house at about midnight on Saturday and having walked inside the front door. His whereabouts since then are unknown.

By a strange coincidence, policemen who constantly guard the Supreme Council chairman's apartment were absent from their post at the time when Yevhen Suprunyuk came back home from work.

The Crimean prosecutor's office has instituted a criminal case in connection with the incident. Ukrainian President Leonid Kuchma has been informed.

Ukraine: Crimean Supreme Council Chairman Found

LD2608063996 *Moscow INTERFAX in English 0600 GMT 26 Aug 96*

[FBIS Transcribed Text] SIMFEROPOL, August 26 (Interfax) — The Crimean parliament's speaker Yevgeniy Suprunyuk, who disappeared around midnight on Saturday, is going through medical examination at a hospital in Crimea's capital Simferopol, a source in the Crimean parliament's Presidium has reported.

According to the source, Suprunyuk has confirmed the fact of his abduction. He is quoted as saying that unidentified persons kept him in Krasnoperekopsk, a town in northern Crimea.

There has been no official confirmation of Suprunyuk's hospitalization. The causes and details of his kidnapping will be officially reported at an emergency session of the Crimean parliament's presidium later today.

Ukraine: Crimean Chairman Back in Parliament; Session Postponed

LD2608155196 *Kiev Radio Ukraine World Service in Ukrainian 1500 GMT 26 Aug 96*

[FBIS Translated Text] Crimean Chairman Yevhen Suprunyuk has asked his deputy to postpone the Supreme Council's extraordinary session set for 28 August and to step up security in parliament, deputy speaker Anushevan Danelyan said today. Meanwhile, detectives investigating the speaker's abduction are following three leads, according to Mykhaylo Korniyenko, head of Ukraine's internal affairs main directorate in Crimea. The Crimean parliament's presidium today agreed to postpone the extraordinary session. The presidium will meet again should circumstances require.

Suprunyuk appeared in the parliament building later this afternoon. He told journalists he knew nothing about the motives for his abduction. The investigation will reveal who did this and who would benefit from it, he said.

Ukraine: Foreign Trade Minister Reappointed

LD2408174696 *Kiev UNIAN in Ukrainian 1445 GMT 24 Aug 96*

[FBIS Translated Text] Kiev, 24 Aug — Ukrainian President Leonid Kuchma has issued a decree appointing Serhiy Osyka as minister of foreign economic relations and trade, the Ukrainian presidential administration reported.

Belarus

Belarus: Lukashenka Denies Opposition Leader Faces Arrest

LD2308171196 Minsk Radio Minsk Network
in Belarusian 1600 GMT 23 Aug 96

[FBIS Translated Text] In the event of the return to Belarus by Zyanon Paznyak, the leader of the Belarusian People's Front, he is in no threat of danger. [Belarusian President] Alyaksandr Lukashenka said this in an interview with ASSOCIATED PRESS.

Alyaksandr Lukashenka denied rumors of the possible arrest of the Belarusian People's Front leader. There was never any question of arresting him. To arrest Paznyak will be to make a martyr of him, the president said. As far as I am concerned, there can be no better leader of the opposition than this bankrupt politician.

In the opinion of the head of state, Paznyak's emigration [words indistinct] a leader who has lost his authority.

Belarus: Official Criticizes U.S. Grant of Asylum to Opposition

LD2408100696 Moscow INTERFAX in English
0939 GMT 24 Aug 96

[FBIS Transcribed Text] MINSK, Aug 24 (Interfax-West) — Vladimir Zametalin, Belarusian deputy presidential chief of staff, has criticized the decision of the U.S. Department of State to grant political asylum to Zenon Poznyak and Sergey Naumchik, leaders of the right-wing radical opposition Belarusian Popular Front.

The decision of the U.S. Department of State to grant political asylum to Poznyak and Naumchik "can provoke nothing but bewilderment and regret," Zametalin told Interfax on Saturday [24 August].

Describing the two opposition leaders staying in the United States during a long time as "tourists," he said Belarus would not like to think that the decision to grant political asylum to the two opposition leaders was "an encouraging measure by the U.S. official authorities with regard to the seditious actions by Poznyak and Naumchik in Belarus."

"If Poznyak's calls to unseat by an armed action the authorities elected by the people, fomenting of inter-ethnic discord, the uncouth insult of millions of Russian mothers and Russian soldiers fighting in Chechnya are normal and constitutional, it is only in this case that they deserve a better life overseas rather than on their native soil," Zametalin said.

Belarus: People's Front Welcomes Granting of U.S. Asylum to Members

LD2408092696 Moscow Radio Rossii Network
in Russian 1800 GMT 23 Aug 96

[Report by Ilya Kopelevich]

[FBIS Translated Text] On Friday, the U.S. authorities granted political asylum to Zyanon Paznyak and Syargey Navumchyk, two leaders of the Belarusian People's Front. Our correspondent Yuriy Svirko reports from Minsk:

[Svirko] Leonid Barshchewski, acting chairman of this opposition organization, told me that he had never doubted that his colleagues would be granted asylum in America. Barshchewski said, and I quote: When, in the best traditions of 1937, I was arrested after the Chernobyl demonstration on 26 April and interrogated by an investigator at midnight, the first name on this investigator's list was Paznyak. No matter how much the authorities might try to justify themselves and distort reality by saying there is no threat to Paznyak and Navumchyk, this is not true. They have already begun to persecute the driver who took Paznyak across the border. End quote.

Barshchewski, who is deputizing for Paznyak as leader of the People's Front, added that the granting of asylum in the United States to the two Belarusian politicians graphically demonstrates the human rights problem in Belarus. It would help the front in its explanatory work on the international arena.

[Kopelevich] The Belarusian Foreign Ministry said there is absolutely no justification for granting political asylum to Paznyak and Navumchyk. They simply want to live in the West, the Belarusian Foreign Ministry believes. Observers note that this is the first time the United States has granted political asylum to politicians from the former Soviet republics. The U.S. immigration department's decision is a blow to the image of Belarus, which is seeking admission to the European club, and it will exacerbate the already strained relationship between Minsk and Washington.

Belarus: Opposition Front Plans Protests Against President

LD2408110396 Moscow INTERFAX in English
1027 GMT 24 Aug 96

[FBIS Transcribed Text] MINSK, Aug 24 (Interfax-West) — The American State Department's decision to grant political asylum to the leaders of Belarus' radical Popular Front Zenon Poznyak and Sergey Naumchik "shows that Belarus is governed by an authoritarian regime and that human rights are abused there," the

Front's executive secretary Vyacheslav Sivchik told Interfax.

By granting political asylum to the Popular Front leaders "the West expressed solidarity with those, who fight for democracy in Belarus," he said.

According to Sivchik, he talked with Poznyak, who is now in the USA, over telephone Saturday morning.

"Poznyak intends to fight for freedom and democracy in Belarus from across the ocean," Sivchik said.

"September will be very hot in Belarus," he promised. The Popular Front intends to launch a number of political actions designed to impeach President Alyaksandr Lukashenka, Sivchik said.

The Popular Front is planning to picket together with other parties the government building, where the Supreme Council convenes for its autumn session on September 2.

In addition, the Popular Front intends to celebrate Glory Day on September 8, the anniversary of victory won by the Great Lithuanian Principality Belarus was a part of over the troops of the Moscow Principality near Orsha (in the north-east of Belarus).

"An anti-Lukashenka demonstration is scheduled for September 14 against the president's plans to convene a congress of Belarusian peoples, Sivchik said.

According to him, on Monday the 26th the Popular Front will issue an official statement in connection with the granting of political asylum to Poznyak and Naumchik by the USA.

Belarus: Lukashenka Decrees Aid for Economically Insecure Groups

WS2308124196 Minsk Radio Minsk Network
in Belarusian 0300 GMT 23 Aug 96

[FBIS Translated Text] In light of preparations for the new school year, the Finance Ministry has been ordered by the Belarusian president's edict to allocate 38 billion rubles [R] for rayon and city executive committees from the president's special fund for rendering material assistance to big families. Those families are entitled to one-time monetary assistance which raise three or more children under 18 years of age, excluding families in which per capita income exceeds the minimum consumer budget, as well as in which both able-bodied parents do not work or study and are not registered at the State Employment Service as unemployed. One-time financial assistance is allocated in the amount of R500,000 for every pupil registered by 1 September 1996. The assistance will be paid out in August and

September 1996 by social security bodies, based on decisions by specially established commissions.

Instead of the one-time financial assistance families have the right to receive clothing, shoes for schoolchildren, and school accessories valued at the envisioned sum.

[Minsk Radio Minsk Network in Belarusian at 0700 GMT on 23 August reports: "The Belarusian president has issued a regulation on rendering one-time financial assistance to single pensioners and disabled people who are in clear need of money for procuring agricultural products and fuel. R36.5 billion has been allocated for this purpose from the president's special fund to assist single nonworking pensioners and disabled people whose pensions do not exceed R400,000 and who have no additional incomes, as well as nonworking individuals who care for disabled children or family members."]

Belarus: Ministry Reports First-Half Foreign Trade Data

WS2608085996 Minsk BELAPAN in English
0834 GMT 26 Aug 96

[FBIS Transcribed Text] Minsk, August 23 — The volume of foreign trade during the period from January to June this year totalled \$5.9 billion in current prices and increased by 29.3 percent compared to the same period last year. According to the Ministry of Statistics and Analysis, imports amounted to \$3.4 billion and exports to \$2.5 billion. The deficit of foreign trade balance came to \$871.5 million, including the \$444 million deficit in trade with Russia. Russia ranks first among the trade partners (53 percent of the total goods turnover), the following two being Ukraine (9.6 percent) and Germany (6.1 percent).

Moldova

Moldova: Tighina Prepares for 'Possible Attack' from Chisinau

AU2308151896 Chisinau BASAPRESS in English
1930 GMT 22 Aug 96

[FBIS Transcribed Text] Tighina (Bender) 22/08/1996 (BASA-press) — The Tighina (Bender) authorities started actions to get ready for a possible emergency state.

Sources from the city administration told BASA-press that all the local enterprises sealed envelopes which must be opened if the alert signal is announced. Other competent sources said the envelopes would contain instructions on mobilization under emergency circumstances of all reservists directly from their work places.

The authorities started additional works to fortify the Tighina stronghold where a Dniester military subunit is located, and the military are ordered to remain in barracks permanently. Many important city units are patrolled by the special guards.

The businesses were ordered to purchase, with their own funds, blocs of concrete for possible quick construction of defence fortifications.

According to data, which are not yet confirmed by alternative sources, some industrial enterprises must receive weapons and ammunition.

Valeriy Prudnikov, Tighina police commissar (subordinated to Chisinau) told BASA-press the population is in panic because of rumours about a possible attack the Chisinau authorities would intend to start against the city, rumours generated by the repeated statements of certain representatives of the local administration, viewed by commissar Prudnikov as aberrant.

Victor Catana, co-chairman of the Joint Control Commission (CMC) from the part of Moldova, accused the Dniester "extremist forces" of organizing provocations directed to "obstruct the negotiations and tension the socio-political situation on the eve of presidential elections in Moldova."

According to the statement signed by the Chisinau representative in the general staff of the tripartite peace-keeping forces based in the zone of the Dniester conflict, released to BASA-press, the Tighina (Bender) administration and certain public organizations lately launch rumors on the alleged concentration of the Moldovan National Army's units near Tighina aiming to attack Tighina.

"These allegations are a premeditated misinforming of public opinion," which led to the destabilization of the situation in Tighina and generated panic among population, read the statement by General Catana.

The vice interior minister Catana underlined the evacuation of the Moldovan police from Tighina is required by those forces which in 1992 "played the leading part in seizing the ammunition from the endowment of the 14th Russian Army and unleashing the armed conflict."

The CMC and the OSCE Mission in Moldova released Wednesday a joint statement, calling on the public organizations, decision-makers and citizens "to abstain from actions which may tension the situation."

Moldova: Dniester Region, Moldova Gear Up for Fresh Confrontation

MK2408075396 Moscow SEGODNYA in Russian
23 Aug 96 p 7

[Report by Svetlana Fedorova: "Workers' Detachments in Bendery Are Ready To Take Up Arms. Russian Peacekeepers Again Have To 'Extinguish' Tension"]

[FBIS Translated Text] The workers' committee of Bendery — a city located on the right-hand bank of the Dniester River, where Moldovan laws are in force but which is de facto governed by Dniester region authorities — issued a statement alleging among other things an "increased movement of Moldovan heavy military equipment" near the city boundaries and "provocative actions by the Moldovan police." The statement contains a demand to cut off power, water, and gas supplies to the police department, proclaiming the workers' intention to take "adequate measures." The statement, disseminated by the Dniester and Moldovan press, was followed by actions: The city authorities cut off the police phone lines and — without coordination with the joint oversight commission (under an agreement signed by Boris Yeltsin and Mircea Snegur in 1992, it monitors the special security area) — placed border guard posts outside the city limits, in the direction of Chisinau. The Moldovans responded, in turn, by moving forward. Now two checkpoints stand next to each other, with two intransigent flags separated by a distance of 10 meters and armed men walking underneath and trading insults. The situation appears even more serious amid reports that combat weapons, kept in the city since the Dniester conflict, are being delivered to local enterprises, and that reinforced concrete blocks are being laid in. According to Moldovan Police Commissar Valeriy Prudnikov, people, frightened by rumors of a military provocation apparently set for 26 August, have begun to flee the city. It is not for nothing that Bendery is called a time bomb or a powder keg under the whole of Moldova. The city lived through the Dniester war and was worst affected by it. At the time, in 1992, everything also began with demands to withdraw Moldovan police. When hostilities ceased, a dual power situation remained in Bendery, and at present there are the Dniester militia and the Moldovan police, and two Prosecutor's Offices and two courts operating in the city. The conciliation role is being played by Russian peacekeepers and the Russian military commandant. Two weeks ago he had to take action to relieve tension that had arisen after the Moldovan army staged a war game near the city of Dubossary. Yesterday the situation in Bendery was discussed at a session of the Joint Oversight Commission. Vladimir Ustinov, who represents the Russian Federation Foreign Ministry on it, told your SEGODNYA

correspondent that the commission adopted an appeal to city residents to remain calm and not to provoke each other.

The attempt to disengage the illegally projected border posts has not brought any results yet. According to City Commandant Igor Butmanov, Dniester residents, supported by city authorities, were the first to violate the security regime that exists in the city. Mr. Butmanov said that the rumors of the Moldovans building up their military presence near Bendery were not confirmed. The situation is generally under control. It has long been noted that the fuse leading to the "powder keg" lights itself when some important internal political events are expected in Moldova or the Dniester region. And in this instance we have two at once: In November, presidential elections are due in Moldova, and in December they are due in the Dniester region. Chisinau's aspiration to get Dniester region, including Bendery, residents involved in its elections has met with counteraction on the part of the Tiraspol authorities. So it is not clear for which president the Bendery people will be voting.

A way out of this situation, representatives of the Russian Foreign Ministry believe, lies through mending the relations between Chisinau and Tiraspol and defining the status of the republic's eastern region. To all appearances this question is not likely to be resolved in the foreseeable future, because the negotiating process, according to its participants, has been marked by a "set-back."

Moldova: Dniester Leader Requests Ukrainian Peacekeepers

AU2408191796 Chisinau INFOTAG in English
1815 GMT 24 Aug 96

[FBIS Transcribed Text] Chisinau, August 24 (INFO-TAG) — "Dniester can only be saved through having

its own independence", the president of the self-styled republic, Igor Smirnov, has stated to KISHINEVSKIYE NOVOSTI.

In his today's interview, Smirnov maintains that "Moldova simply pushes the Dniester people away, seeking to strangle us economically". During the 5 years of the Moldovan independence, Dniester "has been in kind of an economic blockade... After the attempt to suppress us militarily has failed, Chisinau has decided to make us surrender economically, counting much on the assistance by Ukraine and Russia". The Dniester statehood should be consolidated through economy, Smirnov says. "I do not believe in the reanimation of the military conflict. And though both Tiraspol and Chisinau have enough military strength to resume the war, our people will simply not allow us to do that", he said.

He has stated that Moldovan citizens residing in Dniester will be granted a possibility to participate in the Moldovan presidential election on November 17 — "but only on the territory of the Republic of Moldova... For setting up polling stations in Dniester, "Moldova would first have to open its embassy or another representation in our republic".

Smirnov confirmed he had requested the Ukrainian President to send a Ukrainian peacekeeper subdivision to the Dubasri district. In his words, Russia does not object to deploying Ukrainian military units in the security zone.

Kazakhstan**Kazakhstan: Crashed U.S. Plane Said Previously Owned by President***LD2608101496 Almaty PANORAMA in Russian
23 Aug 96 p 6*

[FBIS Translated Text] The U.S. Embassy in Kazakhstan has not yet reacted to an account of the origins of the Boeing that blew up over the Atlantic Ocean. The latest sensation of Kazakh journalist Erik Nurshin has had incredibly quick repercussions. The version he put forward on 20 August on the Kazakh TV-M television channel appeared on Thursday (23 August) on the pages of the Russian newspaper IZVESTIYA.

Its essence is the following: The U.S. Boeing 747 that blew up over the Atlantic Ocean on 17 July, they say, is none other than the aircraft Kazakhstan bought three years ago for President Nursultan Nazarbayev. This account was supported by a number of documents and conjectures based on deep knowledge of the subject by the former aviation engineer Erik Nurshin.

He argues that at the time Kazakhstan bought a plane that had been used intensively in the interests of "some intermediary firm." (Incidentally, some PANORAMA staff members can confirm that the aircraft was indeed not brand new, but their competence in assessing its qualities goes no further than criticism of threadbare seats).

The author of the television program said the aircraft was practically in a critical state, constantly under repair and incurring losses. Kazakh aviation specialists, having no appropriate repair and technical capacity, sent the presidential Boeing 747 to Florida to the technical base of an international airport to reequip the salon and for technical servicing. Afterward, according to Nurshin, the tragic misfortune befell the liner.

PANORAMA asked the U.S. Embassy in Kazakhstan for its position on this account. Embassy staff promised to say whether an official statement concerning this is being prepared, but as of the end of the business day on 22 August (when this issue was put to print) the editorial staff had received no such information.

However, the editorial staff learned from a confidential source close to Kazakhstan's Government that "the U.S. Embassy's reaction to the account was negative."

In addition, according to the source, the Americans have the main proof that rebuts Mr. Nurshin's version: the numbers of the U.S. Boeing and the aircraft of Kazakhstan's president are different.

Kazakhstan: Nazarbayev Interviewed on Immigration, Education Reform*LD2308190696 Almaty Kazakh Television First
Program Network in Kazakh 1325 GMT 21 Aug 96*

[Interview with Kazakh President Nursultan Nazarbayev by unidentified correspondent; place and date not given; from the "Interview With the President" program — live or recorded]

[FBIS Translated Excerpt] [Nazarbayev] [passage omitted] If everything is all right, I think, from next year we will have to draw up a presidential program on the matter, the matter of educating people. The old education system does not suit us. Today each school should teach foreign languages. Now there is a deficit of English language teachers. English and the Latin script should be taught from the first year, because we, the Kazakhs, will probably switch to Latin script — I think so. Not right now. This is first. Second, parents and schools everywhere should be persuaded that children should learn foreign languages and be familiar with computers. [passage omitted]

[Correspondent] Let me put two questions. The first one is on the demographic situation: what is the demographic situation in these market economy conditions; how are you controlling it?

The second question: in each society literature strengthens only when its economy has strengthened. But, in this transition period you are paying attention and influencing both our literature and culture. Are you satisfied with the state of our literature and culture?

[Nazarbayev] [passage omitted] I will start with the first question. As for migration, the country's current concern is to return our brothers living abroad. Over the past two to three years 50,000 families returned, or about 200,000 people, given that each family consists of on average four people. This year alone 500 families moved to Kazakhstan. Having come to an agreement with the country's president, I brought with me from Iran 32 families after my visit there.

The situation has also presented problems. Local administrations do not always create the right conditions. There have been cases when people return because they could not make a living. For instance, in Kazakhstan's present situation and in accordance with our law, this year we are able to provide with documents, house, and cater for 5,000 people. However, Kazakhstan is open for other ethnic Kazakhs willing to return.

I did not tell the people that, during my meeting with Chinese President Jiang Zemin, I touched on the issue in a private conversation. China has a population of

1.2 billion, including 1.5 million ethnic Kazakhs. It is understandable that from the political point of view they cannot allow only ethnic Kazakhs to emigrate: there are other groups—Uzbeks, Uighurs—there is Tibet and Mongolia. We are interested in unity and peace in China. Therefore, we are not going to accept them all; we cannot do this, even if they want to come. But I asked for them to be allowed to leave when they are called by relatives. Around 22 to 30 people are ready to come now, they have passports, and we through our Foreign Ministry have asked permission for them. There are letters from our brothers in Karakalpakstan and Mongolia. In light of this, I would first like to tell our local administrations that they must give them their time and help them. Second, did not we, Kazakhs in Kazakhstan itself, accept migrants from the Caucasus and Germans? Then why do we not have enough compassion to accept our dear Kazakhs? I am surprised. [passage omitted]

[Correspondent] Our newspaper, *EGEMEN KAZAKHSTAN*, has a rule of not delaying solving matters. So I have another question: many of our citizens in the provinces say that big changes are being prepared in Almaty; districts will be abolished, some regions will be united, and ministries will be expanded. We receive letters with questions concerning this every day. Taking advantage of being a journalist, I would like to ask you: are there any grounds for such talk? I would like to make our readers happy.

[Nazarbayev] The present market conditions are completely different from the previous ones. I have difficulties when I meet people. If I were, for instance, the Turkish president, with my people forming 95 percent of the population, or if I were the Uzbek president, with my people forming 65 percent, I would say directly that I had ideas about administrative division and local government, but now there is no question of uniting large regions. We did this at one time, when Communism was being built; each region's secretary thought that the more districts there would be in his region the larger it would seem. Speaking about districts, North Kazakhstan Region, with an area of 40,000 square kilometers, has 16 districts, and Kustanay Region, which is 10 times larger, also has 16. Each district requires an administration head, three deputies for him, a prosecutor, a court, police, and other things, such as an Environmental Protection Department, a Medical Department, and so on. Therefore, this is not a worry for the people, but for the leaders, who are afraid of losing their offices. If village administrations are given the authority to issue documents, people will not need districts at all. We could save money and spend it on the people. We have to solve the problem with districts, and we

will examine it. The people should understand. People are also saying things like: it is mostly Russians living there and others in some other area. I hope that if they are aware and understanding, the Kazakhs themselves will understand in future the need for changing Kazakhstan's administrative system. For today, there is no question of abolishing the district and uniting regions soon. [passage omitted]

Tajikistan

Tajikistan: Russian, Afghan Troops To Protect Border Jointly

LD2308165296 Dushanbe Radio Tajikistan Network
in Russian 1000 GMT 23 Aug 96

[FBIS Translated Text] A meeting of border missions took place at the level of border commissars near the village of Tem, near Khorog, on 22 August. Colonel Reshetnikov, the head of the Khorog detachment, represented the Russian Border Troops, and the Afghan side was represented by Abdul Avval, commander of the 24th Infantry Regiment of the 29th Infantry Division, and Mamadsharif, district head of Shughnan District. At the meeting they discussed issues relating to stabilizing the situation on the Tajik-Afghan border and recognizing the powers of both sides, carrying out measures to protect the border, and interaction and cooperation in guarding the Tajik-Afghan border in their areas of responsibility.

In the event that the state border is violated by some persons or groups and also by armed bands, the sides committed themselves to take exhaustive measures to stop illegal border crossings. If information is obtained that border violations are planned, the sides are to inform each other and to carry out joint measures to stop the violations, including joint strikes against border violators, groups, and illegal bands.

According to the information received from the command of the 24th Infantry Regiment, the Afghan side pledges to set up a security zone 2-3 km in width in the Shughnan district of Afghanistan and not to admit armed bands of the Tajik opposition into this zone.

Tajikistan: Russian, Afghan Border Guards Discuss Border Problem

LD2508121796 Moscow ITAR-TASS in English
1154 GMT 25 Aug 96

[By Valeriy Zhukov]

[FBIS Transcribed Text] DUSHANBE, August 25 (Itar-Tass) — Commander of the Russian border troops in Tajikistan Lieutenant-General Pavel Tarasenko met

on Saturday [24 August] a delegation of the army, bordertroops and authorities from Afghanistan's border regions led by General Mastibek, the Commander of the country's national Guards, in the village of Tem, near the city of Khorog, Gorno-Badakhshan, a spokesman for the Russian border troops in Tajikistan told Itar-Tass on Sunday.

According to the spokesman, Tarasenko informed the Afghan delegation of the Russian troops command's concern over the fact that militants of the Tajikistan's Islamic Revival movement are staying on territory of Afghanistan's Sugnan region.

In this connection, he reminded that in compliance with the August 22 joint protocol of the meeting of the Russian Border Commissar for the Khorog border section and the Afghan envoy for the Sugnan region, Tajik opposition militants shall not have an opportunity to approach the border line and their units must be withdrawn over Lake Sheva.

Only when this condition is observed border trade and U.N., International Red Cross Committee and Aga Khan Fund-sponsored food deliveries from Tajikistan may be resumed, the general stressed.

Tarasenko informed the Afghan delegation of the disposition of armed opposition units on the contiguous territory. He also warned that any provocative shooting by Tajik opposition militants may lead to large-scale military operations which will entail loss of lives of civilians.

The meeting was attended by Russian Ambassador to Tajikistan Mechislav Senkevich and Afghan Charge d'Affaires in Tajikistan Said Khikmet.

Tajikistan: Tavil-Dara Fighting Seen as 'Decisive' Opposition Move

MM2308143396 Moscow KRSNAYA ZVEZDA
in Russian 23 Aug 96 p 3

[Report by Aleksandr Pelts under the "Events and Commentaries" rubric: "Tajik Opposition Detachments Launch Another Offensive"]

[FBIS Translated Text] The mountainous region of Tavil-Dara is once again the arena for clashes between government troops and Tajik opposition detachments. Bitter fighting has broken out around the population center of Childara, which lies 40 km northwest of the rayon center of Tavil-Dara. This was reported to ITAR-TASS by Zafar Ikramov, senior adviser to the Tajik president for questions of defense and law and order.

According to him, despite the ongoing negotiation process, the military-political leadership of the Tajik

opposition is still trying to establish control over the entire Pamir region of Tajikistan by force. The latest offensive by armed opposition detachments fully fits in with this plan and pursues the aim of breaking through Childara to the strategically important population center of Pandovchi, taking control of the Surkhob bridge on the Dushanbe-Gornyy Badakhshan highway, and thereby wresting the entire Pamir region of Tajikistan from the control of official Dushanbe.

If these plans are realized, one-third of Tajikistan's territory will be under the opposition's influence. Moreover, the detachments of hardliners will gain a very useful strategic position for pushing further into Tajikistan's central plains.

Apart from the purely military aspects, one cannot fail to see that the opposition also has important political objectives. After all, if it gains control over Gornyy Badakhshan, it probably will form a new government there. If that happens, the possibility of a territorial split in the country will become very real.

The information agency of the Russian Federal Border Service has issued a statement in connection with this latest exacerbation of the situation in the Pamir region of Tajikistan and on the Tajik-Afghan border. It notes, in particular, that large opposition detachments have recently begun to advance from their bases in Afghanistan toward the state border of Tajikistan. The situation points to a decisive offensive in the large-scale military operations planned by the opposition for the spring and summer of this year. Central Asian countries in the CIS are also voicing great concern over the situation on the Tajik-Afghan border and within Tajikistan.

A conference of the Kazakhstani, Kyrgyz, Uzbek, Tajik, and Turkmen ambassadors to Russia was held at the Russian Foreign Ministry on 20 August. Chaired by Boris Pastukhov, Russian first deputy foreign minister, and involving Russia's official representative in the Republic of Tajikistan, Yevgeniy Mikhaylov, the conference concluded that the only way to solve the Tajik problem is to get the opposition to renounce methods of force in the search for a settlement and, most important of all, normalize the situation on the Tajik-Afghan border.

Tajikistan: Government Troops Reportedly Recapture Tavil-Dara

LD2408071896 Moscow INTERFAX in English
0712 GMT 24 Aug 96

[FBIS Transcribed Text] DUSHANBE, Aug 24 (Interfax) — Tajik government troops regained, for the second time in the past 24 hours, control of the town of

Tavil-Dara which lies 210 kilometers east of Dushanbe, defense adviser to the Tajik president Mizrob Kabirov told INTERFAX.

Armed opposition forces were pushed two to three kilometers east of Tavil-Dara. They suffered losses but consolidated previously prepared defense positions on critically important heights, Kabirov said. Government troops also suffered losses but casualty reports have not yet come in.

In Kabirov's view, the capture of Tavil-Dara will hardly influence further developments at that theater of operations.

Tavil-Dara lies practically deserted. Only 500 to 1,000 local residents are hiding in the mountains, the remaining 4,000 to 4,500 have found refuge in Dushanbe, Kalaikhumbé, Komsomolobad and other cities of Tajikistan, Kabirov said.

The more important town of Childara was seized by opposition forces four days ago. It lies 30 kilometers northwest of Tavil-Dara and its capture allowed the opposition control of the Labidzhar span of the only highway between Dushanbe and the Gorno-Badakhshan autonomous region, with the city of Khorog, Kabirov said.

Government interior troops retreated five to seven kilometers north of Childara and have yet to regain positions at that town.

Trench warfare continues at Tavil-Dara and Childara.

Tajikistan: President's Spokesman Comments on Retaking Tavil-Dara

LD2408130696 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 24 Aug 96

[FBIS Translated Text] As a result of an attack on the positions of the opposition fighters, on 23 August the military divisions of the government freed the center of Tavil-Dara district and the villages surrounding it. On this occasion, here is a commentary by the president's spokesman, Zafar Saidov:

[Begin Saidov recording, in Russian] As is known, armed groups of the opposition led by the field commander, Mirzo Ziyoyev, flagrantly violated the Ashgabat peace agreements on cease-fire and observance of the Tehran agreement of 17 August of this year, and launched an attack to occupy the center of Tavil-Dara district with the aim of its further consolidation as a zone of permanent control. The government military forces of the republic were forced to take appropriate measures in response to prevent such provocations from destroying the cease-fire. As a result of a successful counterblow

of the divisions of the government forces of the republic in the first half of the day, on 23 August the center of Tavil-Dara district and the settlements surrounding it were completely freed.

The armed groups of the opposition are suffering appreciable losses in manpower, arms, and technical equipment. During the withdrawal, they reduced to ashes a strategically important bridge connecting the Tavil-Dara zone with the Pamir section of the Dushanbe-Khorog highway. Thus, the whole region has suffered great economic damage.

The press center of the Defense Ministry of the Republic of Tajikistan yesterday announced that if the armed groups of the opposition continue to violate the cease-fire regime and carry out mass military operations against the government military forces in Childara settlement [Tavil-Dara district], then appropriate retaliatory measures will be taken there as well.

Tajikistan: Tajik Rebel Leader Claims Heavy Government Losses

LD2408214796 Mashhad Voice of the Islamic Republic of Iran in Tajik 1600 GMT 24 Aug 96

[Interview with Haji Akbar Turajonzoda, deputy leader of the Islamic Movement of Tajikistan, by unidentified correspondent, on 24 August; place not given — recorded]

[FBIS Translated Text] [Correspondent] Mr. Turajonzoda, according to the announcement by the spokesman of the presidium of the Republic of Tajikistan, the government forces have recaptured the Tavil Dara area from the hands of the opposition forces. Do you admit this report?

[Turajonzoda] In the name of God, the merciful, the compassionate. The report by the representative of the Dushanbe regime perhaps refers to Tavil Dara settlement. As I have been informed, this report is far from the real state of affairs.

The reality is that fierce clashes have been continuing in the areas surrounding the Tavil Dara settlement since 22 August until today, that is to say, between 8 and 10 km from Tavil Dara settlement, in the Karanak area. At the present, as a result of government attacks our mujaheddin were forced to make a retaliatory attack. In this retaliatory attack today they occupied the Lab-i Dzhar area, which is the gateway to Tavil Dara, and are even in control of the highways to Garm and Tajikabad.

The enemy lost dozens of men, including 14 men taken prisoner, in this battle, which continued for a couple of hours. One (tank) with all its crew was destroyed,

and two armored personnel carriers, a heavy truck, and a number of light weapons and ammunition were captured as trophies by the mujaheddin. The mujaheddin lost two martyrs and another one was wounded. I was informed about this two hours ago.

[Correspondent] Gerd Dietrich Merrem, the UN secretary general's special envoy in Tajikistan, recently visited Iran. He talked with you. What issues did you discuss?

[Turajonzoda] We had detailed talks with him over a period of three days. Every issue was under discussion. First of all, setting up a mechanism for monitoring the Tehran temporary cease-fire agreement. Second, continuation of the negotiations between the delegations. Third, talks between Professor Sayed Abdullo Nuri and Tajik President Emomali Rakhmanov in Moscow. Undoubtedly, because of [word indistinct] of the Dushanbe government, which does not want to implement the accords reached in Tehran, we could not agree on the continuation of the talks.

[Correspondent] Mr. Turajonzoda, thank you very much.

[Turajonzoda] You are welcome. God bless you.

Tajikistan: Interior Convoy Attacked 100 Km NE of Dushanbe

*LD2608121196 Moscow ITAR-TASS in English
1136 GMT 26 Aug 96*

[FBIS Transcribed Text] DUSHANBE, August 26 (Itar-Tass) — One serviceman was killed and four others in-

jured over the past twenty four hours when a Tajik interior convoy was attacked near the settlement of Chorsada 100 kilometers northeast of Dushanbe. According to Zafar Ikramov, senior adviser of the Tajik president, the convoy of trucks carrying servicemen to the Tajik Pamir highlands for scheduled replacement of the personnel deployed there was attacked by an armed group of the opposition.

On Saturday, four policemen were injured when a block post in the town of Ragun 90 kilometers northeast of Dushanbe was shelled, Ikramov said.

However, despite provocative acts committed by the opposition the government is making all possible efforts to fulfill the agreements reached during the Ashkhabad round of the talks, the Tajik president's adviser said. According to Ikramov, Dushanbe officials have prepared a letter addressed to the mission of UN observers in Tajikistan, stressing the importance of coordinating visits by UN observers to the Tavil-Dara region. On Tuesday, the Tajik Government intends to submit specified name lists to carry out a humanitarian act of the exchange of prisoners of war.

Armenia

Armenia: Iran-Armenia Power Line Construction Begins

NC2108142696 Yerevan ARAGIL ELECTRONIC
NEWS BULLETIN in English 1249 GMT 21 Aug 96

[FBIS Transcribed Text] Yerevan ("Respublika Armenia" daily), 08/20/96 — Information Center of ROA [Republic of Armenia] Ministry of Energy reported that construction of the Iran-Armenia power line has started.

Its length on the territory of Armenia will be about 40 km. It is expected that construction will finish by the end of year, based on the local budget and financing provided by Armenenergo and Energy network construction enterprises.

Unification of the power systems of our two countries by a power transmission line will improve the security and reliability of both systems.

Armenia: President Visits Regions, Outlines Tasks

LD2108192796 Moscow INTERFAX in English
1633 GMT 21 Aug 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] President Levon Ter-Petrosyan believes that the most important task for Armenia is "to consolidate itself in Nagorno Karabakh, to further develop the economy, to solve social problems and to struggle with different abuses," he told a mass meeting in the city of Yerevan while visiting the Aragatsotn region, the fourth in his pre-election campaign throughout the country.

Ter-Petrosyan intends to fight for re-election in the presidential poll on September 22.

In particular, Ter-Petrosyan, called for a "fight against bribery, lawlessness, bureaucracy, and other phenomena arousing the just indignation of the population."

During his trip Ter-Petrosyan visited the village of Oshakan and the grave of founder of the Armenian alphabet Mesrop Mashtots. He also visited the residence of the head of the local eparchy which is to house a church school, and presented future pupils with a copy of the Bible translated into Armenian by Ter-Petrosyan himself.

While visiting the towns of Aparan and Ashtarak, Ter-Petrosyan met with Armenian refugees from Baku and Nagorno Karabakh's Sharmian region and citizens of the village of Alagiaz where Yezids, one of Armenia's national minorities, live.

Ter-Petrosyan visited another region, Gegarkunik, before arriving in Aragatsotn.

During one of his public meetings he declared that the Armenian state "was forced to solve strategic tasks during the first stage of its independence, simultaneously omitting secondary issues, deliberately or not."

Ter-Petrosyan agrees that "the issues which seemed secondary yesterday have become of vital importance today and will be the priority tomorrow," clarifying that he is primarily referring to the republic's accumulated socioeconomic problems.

But the state "is already able to solve them," he said.

"We have already built a house on firm foundations with solid walls which, however, have not been repaired inside." "This does not match current understanding of human dignity," he said and offered reassurances that "the repairs will be made."

According to Ter-Petrosyan, "the difficulties which the people have experienced with dignity have hardened him."

"Today we are ready for history's slaps in the face, which are hardly possible to avoid on the road to true independence," he said.

At the same time Armenia "was able to avoid serious mistakes and mass acts of stupidity made by our neighbors," he said, without revealing what exactly he had in mind.

President Ter-Petrosyan visited the districts of Gavar, Martuni, Vardenis, Krasnoselsky and Sevan during his 14-hour trip through the Gegarkunik region, the presidential press service told Interfax. He met with heads of local administrations, leaders of enterprises and offices and local residents.

He has familiarized himself with burning issues of the day in the regions related to privatization of land and enterprises, the demographic situation in villages, employment and social provision for the population, ecology of the Sevan Lake.

While in the village of Vagan on the border with Azerbaijan, Ter-Petrosyan visited one of the border military units and became acquainted with problems faced by border guards.

Ter-Petrosyan is accompanied by the leadership of his pre-election headquarters, headed by chairman of the republican parliament Babken Ararktsian, several Cabinet ministers and party leaders from the Respublika bloc, which nominated Ter-Petrosyan as an election candidate.

Azerbaijan**Azerbaijan: Aliyev Receives European Parliament Delegation**

NC2408190596 Baku TURAN in English
1133 GMT 24 Aug 96

[FBIS Transcribed Text] Baku/23.08.96/TURAN—Late yesterday the President Geydar Aliyev received a Chairman of the Commission of European Parliament for security and disarmament Hans Gerd Pettering and people accompanying him. "Azerbaijan and European Union are good partners," the president said. He reminded that in April this year an agreement on cooperation between Azerbaijan and European Union was signed.

Hans Pettering noted that his commission would support this document during its ratification in the European Parliament.

According to Geydar Aliyev the main purpose of the cooperation with the EC is to bring indices in all spheres of life — politics, economics, social sphere — to the European standards. "It will require time," the president said. The principle achievement over the past period was obtaining of political stability inside the country, continuation of reforms, of political course of sovereignty and independence, the president said.

Geydar Aliyev briefed the delegation of the European parliament on the situation in the Armenian-Azeri conflict. Hans Pettering said that he and his commission would support Azerbaijan while the discussion of the question on admittance Azerbaijan to the European Council. He expressed a hope that Azerbaijan within very short period will fulfill criterias of the EC in the sphere of democracy and human rights.

"The EC attaches great attention. Stability should base on democracy and following of human rights," Hans Pettering said.

Then the meeting was held behind the closed doors.

Azerbaijan: European Urges Countering Iran's 'Will to Terrorism'

NC2408191996 Baku TURAN in English
1132 GMT 24 Aug 96

[FBIS Transcribed Text] Baku/23.08.96/TURAN—"Azerbaijan is an independent country and is looking for contacts with the EU," the journalists were told by Hans Gerd Pettering, a deputy of Europarlament, the member of the commission for security and defence.

On the eve, the members of the delegation had meetings with the Defence Minister Safer Abiyev. Commenting on the meeting Pettering noted that during the meeting the Treaty on Conventional Weapons in Europe and

the position of Azerbaijan in this question have been discussed.

Commenting on the meetings with the religious leader of Azerbaijan Haji Allahshukur Pashazade, Mr. Pettering said that representatives of Islam should do their best for safety of people. "We oppose all kinds of terrorism and violence and we are looking for the dialogue and co-operation with those who support these principles," Pettering said.

"The EU supports critical dialogue with Iran. If the talks with Iran are held on the basis of critical dialogue, then everything is normal. If any country supports the Iran's will to terrorism, then that country will be excluded from Europe," Pettering said. He expressed a hope that Azerbaijan, developing relations with Iran, will take into account the above said. He expressed a hope that Baku should be deterrent for Teheran in order to prevent acts of terrorism, Pettering underlined.

Azerbaijan: Gasan Gasanov Receives European Parliament Delegation

NC2408192196 Baku TURAN in English
1132 GMT 24 Aug 96

[FBIS Transcribed Text] Baku/23.08.96/TURAN—On the eve the Minister of Foreign Affairs Gasan Gasanov received the delegation of the European Parliament. Head of the delegation deputy of the European Parliament Hans Gerd Pettering expressed assurance that EU and Azerbaijan would have constructive dialogue on the basis of the agreement on co-operation and partnership with the European Union signed on April 21 this year.

Gasanov noted that the EU should not be concerned about the opinion of the opposition on the political situation inside the country. Almost in all countries the opposition is not satisfied with the policy of their government.

Responding the question on the purpose of his visit to Baku Gasanov said that Iran was the great southern neighbour of Azerbaijan. "It is necessary for us to resolve a complex of economic problems, all of them will be discussed in Teheran," he said.

Georgia**Georgia: Russia's Pastukhov Meets Shevardnadze, Abkhaz Leader**

LD2408165796 Tbilisi BGI in Russian
1210 GMT 24 Aug 96

[FBIS Translated Text] [no dateline as received] — Boris Pastukhov, Russian first deputy foreign minister,

has begun his official visit to Tbilisi. Here is a report by BGI correspondent Inga Dadiani:

At 1200, Pastukhov had a meeting with Georgian President Eduard Shevardnadze. The meeting, which lasted over two hours, was attended by the Georgian Ambassador to Russia Vazha Lordkipanidze.

Later, representatives of the Russian Foreign Ministry, the Russian Embassy in Georgia, and the Georgian side joined the meeting. After the meeting, Pastukhov telephoned Russian Foreign Minister Yevgeniy Primakov and briefed him on his meeting with Shevardnadze.

Afterward, Pastukhov gave an impromptu news conference. [participants not identified]

"What would you say about your meeting with Eduard Shevardnadze?"

"We discussed several crucial issues, the most important of which, indeed, concerned further steps toward settling the conflict in Abkhazia. Neither could we evade the problem of the conflict in South Ossetia. I am deeply satisfied with the meeting. The conversation was detailed and comprehensive. Lordkipanidze and I informed the president about our visit to Gali district in Abkhazia."

"Are there any prerequisites for the positions of the sides on the political status of Abkhazia to draw nearer?"

"Following my meetings in Sukhumi, I have the impression that the Abkhaz side is showing growing comprehension that it is to live in a single state of Georgia. As an example, consider Gali district, where we had numerous meetings. I can say that I have not felt any antagonism between ethnic Georgians and Abkhaz. Politicians often exaggerate the problem, I reckon. As for the people, they need one thing — normal living conditions."

"You met [Abkhaz separatist leader] Vladislav Ardzinba in Sukhumi. What is his stance with regard to the political status of Abkhazia?"

"We discussed the text of the protocol, which is to define the political status of Abkhazia. I would not like to reveal some diplomatic and technical points. I would only say that the positions are drawing closer. It is obvious that there is more understanding and desire to seek a compromise. Negotiations are continuing in Moscow. Their aim is to reach an agreement on ending the current no-war-no-peace state of affairs. I believe we will be able to find a just form of Abkhazia's status that will satisfy all: Georgians, Abkhaz, Russians, and Armenians."

After the meeting with journalists, Pastukhov left for a meeting with Georgian Parliament Chairman Zurab Zhvania.

Georgia: Shevardnadze, Pastukhov Satisfied With Abkhaz Peace Process

LD2408170396 Tbilisi CONTACT INFORMATION
AGENCY in Georgian 1310 GMT 24 Aug 96

[FBIS Translated Text] Tbilisi [no date as received] — Not only did we get a great deal of interesting information during our meetings in Gali district [Abkhazia] but we also, in a way, supported the people who had already returned from Georgia to their homes. Boris Pastukhov, Russian first deputy foreign minister, said at his meeting with Georgian President Eduard Shevardnadze on 24 August.

After a long meeting behind closed doors, during which Pastukhov and Vazha Lordkipanidze, Georgian ambassador to the Russian Federation, informed the president about their meetings with Abkhaz leaders and the local population, Shevardnadze said that despite numerous obstacles and differences of positions, definite progress had been achieved in the process of the organized return of refugees. At present, the major objective is to retain the pace of the process and to create conditions that will guarantee the security of the population.

Pastukhov said that the meetings enabled the representatives of the Abkhaz side to draw useful conclusions. They are now aware of the irreversibility of the process of the spontaneous return of refugees. Consequently, the process should be made organized. As far as Russia's position is concerned, it has become much clearer after the meetings: We have returned from Gali with a firm intention to accelerate the process to the utmost, Pastukhov said.

Georgia: Russia's Pastukhov Comments on Abkhazia Peace Prospects

LD2408183896 Tbilisi First Program Television
Network in Georgian 1500 GMT 24 Aug 96

[FBIS Translated Excerpt] As reported earlier, Boris Pastukhov, Russian first deputy foreign minister, and Vazha Lordkipanidze, the Georgian ambassador extraordinary and plenipotentiary to Russia, visited Gali [Abkhazia] yesterday. [passage omitted]

The first itinerant session of the delegations at the quadripartite talks on a peaceful settlement of the Abkhaz conflict was held in Gali on 23 August. [passage omitted] The first objective of the visit was to establish the approximate number of refugees who have returned

to the region, while the second was to study the existing conditions for the return of refugees. This included establishing the quality of habitable housing, the availability of basic material resources in the town of Gali and elsewhere in the Gali district, and an approximate timeframe for starting the operation of the most important enterprises in the local economy to create jobs for refugees, as well as conducting a preliminary study of realistic methods and the necessary conditions for the implementation of a program for the safe return of refugees to the Gali district.

The overall impression is that there is a complex socioeconomic situation in Gali. Not a single enterprise is operating. Flour is not available. People have to live off their own produce. Most notably — despite the presence of peacekeeping forces in the conflict zone — there is a feeling of insecurity among the refugees who have returned to the region.

Discussing the results of the visit by the quadripartite delegation, Pastukhov described the itinerant session in Gali district as extremely important. He also said that the return of refugees to Gali district had become a stable process and that there was now a need to draw up a program for the organized return of refugees to Gali. The expansion of the mandate of the peacekeeping forces in the Abkhaz conflict zone will help ensure the safety of refugees who have returned to the region, Pastukhov said.

Pastukhov and Lordkipanidze were received today by Georgian President Eduard Shevardnadze. [passage omitted] The Georgian president said that there was a need to draw up a plan for future action in Abkhazia, and, from that point of view, the visit to Gali was very important.

Pastukhov said: We met the Abkhaz authorities and talked to refugees. Abkhaz officials have realized that the return of refugees is an irreversible process. Therefore, there is a need to manage this process in a consistent manner. We hope that there are good prospects for a political settlement of the conflict in Abkhazia. There is a growing understanding among the Abkhaz leaders that Abkhazia will have to exist within a single Georgia. This is extremely important.

[Begin Pastukhov recording] The expansion of the mandate, which, we hope, they [the peacekeepers] will be granted by the CIS Council of Heads of State, will give them the opportunity to wage a more active struggle against subversive terrorist armed groups carrying out bandit attacks in the region and terrorizing people. This will give people extra confidence that they have not been left to their own devices. In my opinion,

there is a growing understanding that we have to live in a single state. [end recording] [passage omitted]

Georgia: Shevardnadze Comments on Economy, Abkhazia

LD2608104596 Tbilisi Radio Tbilisi Network
in Georgian 0513 GMT 26 Aug 96

[Interview with Georgian President Eduard Shevardnadze by Nato Oniani in Tbilisi on 26 August — live or recorded]

[FBIS Translated Excerpt] [Oniani] Here is an interview with Georgian President Eduard Shevardnadze. Mr. President, although you will, as usual, begin your interview with a review of the latest economic developments, it should, indeed, be noted that the last week was, in a way, the week of the Constitution. It was the first anniversary of adopting the country's fundamental law on 21 August. At the festive ceremony celebrating the event, you said that Georgia would enter the 21st century as an economically strong country and this would be the consequence of adopting the Constitution. A government meeting was held last week which, along with other issues, considered the situation with fuel and power engineering and problems expected in the run-up to winter. We may recall the past several winters and the difficult conditions our country faced then. May I begin with this question: how successfully can we manage the coming winter in view of our grave experience? Yet another topic. The council for economic reforms has discussed the issues of taxation policy. How far will this promote the development of our economy? It is obvious that our entrepreneurs cite taxation policy as a major problem.

[Shevardnadze] Thank you, good morning. I have already spoken about our Constitution and its historic significance at the anniversary celebrations. The day of the Georgian Constitution is to become one of the brightest days in the life of our people, and I believe it will. Incidentally, the Constitution, along with other democratic principles, lays the foundation for economic freedom and creates a legal basis for improving the social and economic conditions of the population. In view of this, as the autumn-winter season is approaching, problems relating to the preparation of the fuel and energy sector for the season are becoming topical. This is a rather complex and demanding issue, and concern over its implementation is not confined to those engaged in the sector, but rather requires joint efforts to be made by the whole country and by each of us. Therefore, last week's government meeting resolved that preparations for the autumn-winter season have to be considered as a presidential program, the realization of which is to

become a turning point in supplying the country with energy resources. [passage omitted]

So far, urgent repair and restoration work has been carried out on the country's hydroelectric power stations. Links with the Russian, Azerbaijani, and Turkish power networks have been restored. The reservoirs of the power stations are being filled, the potential of which will be fully conserved until the season begins. In accordance with a presidential order, work has been carried out to prepare the natural gas supply system, including main and distribution pipelines, to 50,000 households in Tbilisi. There will be no delays in supplying the population with liquefied gas, paraffin, and firewood. Coal is being transported to mountainous areas. [passage omitted]

To replenish stocks of fuel oil and obtain guarantees on importing natural gas requires \$40 million dollars. The remaining urgent maintenance work at power stations requires from \$10 to 15 million. [passage omitted] I am very well aware of the difficulties for the population and a large number of enterprises in paying for the use of electricity due to hardship. However, on the other hand, if the issue of payment is not settled, the cold winter will cause further hardships and exacerbate the grave situation. Therefore, no matter how difficult it is and regardless of the costs, we have to manage this problem of payment. [passage omitted]

The current tax legislation aims to mitigate financial sanctions, to streamline the taxation system, to reduce the varieties of taxes, and to differentiate banking rates and certain other major acts. [passage omitted] The economic council voted against raising the profit tax at the current stage, since this would not promote the strengthening of the investment potential of the country's enterprises. [passage omitted]

During the first 23 days of this month, the tax-collecting agencies collected 18 million lari. This exceeds by 20 percent the corresponding figure for the previous month. The state budget has received from tax-collecting agencies 158 million lari since the beginning of the year, that is, 27 million lari more than the total tax revenues received during the 12 months of 1995. [passage omitted]

[Oniani] A visit to Abkhazia by Russian First Deputy Foreign Minister Boris Pastukhov was the focal point of the past week. Ambassador Vazha Lortkipanidze, a delegation of the [Tbilisi-based] authorities of Abkhazia and representatives of the separatist authorities were there too. You gave a special assessment of the visit in your speech at the Constitution Day celebrations. You also said that on 27 August you would be meeting [South Ossetian leader Ludvig] Chibirov, [North Osse-

tian President Akhsarbek] Galazov, and other leaders in order to resolve the problems relating to Tskhinvali region [South Ossetia]. Can all this allow us to presume that the process is under way?

[Shevardnadze] As I have already said, Boris Pastukhov's visit to Georgia—namely his meetings in Sukhumi, Gali, Zugdidi, and Tbilisi—were undoubtedly useful. It is still premature to speak about specific results. However, there is a certain amount of novelty in the way all this was done. For instance, the study of the living conditions of the refugees who returned spontaneously to Gali District, I mean who returned rather than those who had remained there, was an event of the utmost significance. Although, as I have said, it is premature to speak of results, visits at this level can provide substantial help in settling the conflict in Abkhazia and facilitating the process.

As far as my visit to Vladikavkaz [North Ossetia] is concerned, this is the continuation of a dialogue on the reconciliation of the Georgian and Ossetian peoples, which started in Moscow with the participation of Boris Yeltsin and Akhsarbek Galazov. The visit will also be important from the point of view of comprehending the concrete steps taken for the implementation of the decisions made at the Kislovodsk meeting [summit of the Transcaucasus states, Russia, and North Caucasus republics]. I think that further meetings will take place in Tskhinvali, Tbilisi, Gori, and so on.

Why have we decided to hold the meeting in Vladikavkaz? I will be candid and say that this has been done, in a way, in recognition of the contribution Akhsarbek Galazov made for the revival of friendship and fraternity between the two peoples. You can see that the process is under way, and I have no doubt that it will be a success.

[Oniani] Mr. President, last week a cease-fire agreement in Chechnya was at the focus of the Russian media's attention, and not only theirs. Experts believe that this will have the utmost significance for managing the peace process.

[Shevardnadze] I would rather take a narrower angle. So many processes have been under way that it is a little difficult to make an all-embracing comment. You are well aware of the unspeakable brutality and the grave consequences resulting from the participation of Chechen units in the Abkhazian conflict. I am not going to elaborate and specify these. We all know everything very well. Despite this, we cherish the historical traditions of friendship and neighborhood between the two peoples. We did our best to retain the Russian-Georgian border, which stretches between Chechnya and Georgia, as a border of peace and

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friendship. I wish the Chechen people and the whole of Russia to establish peace on this long-suffering land as soon as possible. [passage omitted]

[Oniani] Later this week on 29 August, it will be one year since the day Georgia was clearly saved from the reign of criminals [an attempt on Shevardnadze's life]. Apart from the survival of the leader of the state and those accompanying him, the country actually survived because it is not difficult to presume what would have followed the 29 August terrorist act had the organizers of the act succeeded. Serious confrontation could have been expected after the adoption of the Constitution on 24 August, but despite their previous activities and despite a presumably clear-cut attitude of the population toward them, the organizers of the 29 August event exceeded all bounds. This was the final act that marked a sharp turn in the fight against the criminal forces.

[Shevardnadze] I find it a little difficult to speak about this day, but now that a year has passed, I would like to say a few words. [passage omitted] It was one of the most treacherous attacks on Georgia and it was carried out, as it has happened many times in Georgian history, by Georgians. Let us imagine, as you have said, what would have happened had the terrorists achieved their goal. I am saying this without any exaggeration. There would be yet more chaos and bloodshed, this time over posts and portfolios. [passage omitted] We would have faced complete chaos, and time would have been reversed in the modern history of Georgia. What saved us? The will of God Almighty who did not sacrifice

the country chosen by the Virgin for new torment and tortures.

But this is not the main thing. No matter how the opponents titlar, Georgia and the whole people of the country have made a historic turn toward a new system since then. We have established stability and order and we have laid a foundation for an integral, indivisible, and happy country, the 21st century Georgia.

I never forget that there still is a great deal of pain, even starvation and other problems, but the main thing has already happened. This year has become the year of the great change.

[Oniani] Did you expect this, I mean the terrorist act?

[Shevardnadze] Something had to happen. I thought that something would happen. I did not know in what shape. There was talk, and as they say something was in the air, something that anticipated evil. Politicians, especially those who committed themselves to politics from their youth, have intuition. [passage omitted]

Vengeance should be the last thing to guide the president of the country. There are those who executed the act and those who masterminded and organized it. It would be thoughtless not to punish them and it would be an irresponsible act against the country. But if we started to investigate deeper and sought the truth and looked for all those who participated in the act, we would find ourselves facing new confrontation. [passage omitted]

Estonia

Estonia: Premier Vahi Returns From Visit to Finland

LD2208205296 Tallinn Radio Tallinn Network in Estonian 1700 GMT 22 Aug 96

[FBIS Translated Text] According to Estonian Prime Minister Tilt Vahi, an Estonian-Finnish agreement on visa-free travel will be concluded this year but its implementation will be postponed from 1 January of next year by a few months. Returning from his visit to Finland Vahi added that an agreement was reached on concluding this agreement when [Finnish Prime Minister Paavo] Lipponen visited Tallinn early this year.

According to Vahi, Finland, however, has set four conditions. One condition is that the use of secure passports must be arranged, and for this reason security-code stickers will be added to passports issued before May of this year. Since May new, more secure passports have been issued in Estonia and the Estonian side has agreed with the Finnish side that the passports which need not be replaced will bear a sticker with a corresponding security code.

Estonia will meet the necessary conditions by 1 October, enabling the interstate agreement concluded on 22 September 1995, on the return of individuals who have arrived or stay in either country illegally, to be implemented.

According to the prime minister, the third condition is the joining of the 1951 convention on refugees, which has been discussed with Paavo Lipponen before. It is theoretically impossible for Estonia to join the 1951 Geneva Convention on refugees in the course of the current year. According to Vahi, due to its aspirations towards the EU Estonia will have to join the convention anyway, and the sooner the better. A commission has been set up to prepare for the joining of the convention on refugees. It is headed by Interior Minister Mart Rask but preparations for a corresponding resolution in the Riigikogu are said to take time.

According to Vahi, the fourth requirement was for Estonia to tidy up its registers. The 12 July [deadline for noncitizens to apply for residence permits] did not only mean that concrete applications were accepted and permission to stay was granted or not granted. It was also a major campaign to tidy up the register of residents of Estonia regarding both citizens and aliens. Tilt Vahi said that the aim at present is to bring all citizens' passports and residents' registers in line with the European requirements. Finland is willing to provide material assistance to us. It is realistic that the visa-free regime will come into force within the first half of next year.

Estonia: Poland's Navy Commander Visits; 'Closer Ties' Forged

WS2608111796 Tallinn BNS in English 1600 GMT 24 Aug 96

[FBIS Transcribed Text] Tallinn, Aug 24, BNS — The naval forces of Estonia and Poland established closer ties between each other during meetings here by Poland's Navy Commander, Vice Adm. Ryszard Lukasik.

The head of the Estonian naval forces, Capt. Roland Leit, said Estonia was interested in Poland's assistance in naval training.

Leit said also other opportunities for broader cooperation had been talked about, which will be dealt with in more detail during a visit by Estonian Defense Minister Andrus Oovel to Warsaw this fall.

Naval crews from both countries will have an opportunity to exercise joint action already next month, at the Open Spirit '96 joint naval maneuvers.

The Polish navy commander, in Tallinn for a friendship visit since Friday, also met with Defense Minister Andrus Oovel and Defense Forces acting Chief of Staff Vello Loemaa. Lukasik will leave Estonia Sunday.

Also on Friday, a Polish warship, Kaszub, called at the port of Tallinn. The 82.3-meter-long Kaszub will stand moored in Tallinn's port until Sunday, open for visits by the public.

Estonia: Parliament Convened To Elect President

LD2608100096 Moscow INTERFAX in English 0914 GMT 26 Aug 96

[FBIS Transcribed Text] TALLINN, Aug 26 (Interfax) — The Estonian parliament convened on Monday to elect a new president.

Before voting, Alo Helasalu, chairman of the Central Electoral Commission, told MPs they had only one hour to make their choice, after which the commission will begin counting votes.

On Sunday, the commission registered two candidates to presidency - incumbent President Lennart-Georg Meri and Estonian Deputy Parliament Speaker Arnold Ruusla.

Under Estonian election law, a president is elected by the parliament. A president is considered elected if he is supported by not less than two-thirds of the parliament (at least 68 out of 101 lawmakers).

The second and, possibly, third rounds of elections will be held on August 27 if neither candidate wins today.

In that case, MPs can nominate new candidates.

If none of the candidates wins in the second and third rounds, parliament and local government bodies will have to set up an electoral college within a month to elect a president.

Estonia: Parliament Fails To Elect President in First Round

LD2608102296

[FBIS Report] Tallinn Radio Tallinn Network in Estonian at 0930 GMT on 26 August starts carrying a live relay from the Riigikogu, the Estonian parliament, where the election of the Estonian president was already in progress.

At 0942 GMT, the chairman of the Estonian Electoral Commission announces that 45 deputies voted for incumbent President Lennart Meri and 34 for Arnold Ruutel, a deputy speaker of the parliament and the chairman of the Rural People's Party.

A radio commentator notes that because neither candidate gained the necessary 68 votes, a second round will be held on 27 August.

Latvia

Latvia: Ulmanis Favors Ending 'Recriminations' With Russia

MM2108080896 *Moscow ROSSIYSKAYA GAZETA in Russian 21 Aug 96 p 7*

[Report by RIA "Novosti" correspondent Anatoliy Baranovskiy specially for ROSSIYSKAYA GAZETA: "Ulmanis Prefers Dialogue"]

[FBIS Translated Text] Riga — In an interview given by Latvian President Oulis Ulmanis to the Russian-language newspaper SM-SEGODNYA, he stressed his desire to develop good-neighborly relations with Russia.

"I have met and will continue to meet with Russian politicians, and I believe it is time we moved from recriminations toward a recognition of the situation and an admission that existing problems created by the collapse of the USSR need to be solved," Ulmanis stated.

According to Ulmanis, following his reelection for a second term as Latvian president he has abandoned populism and wants to "carefully study and examine the range of issues relating to the presence of people of different ethnic groups in Latvia." To that end the president has already created a consultative council for nationalities affairs, including prestigious representatives of ethnic minorities, and is seeking a candidate for the post of presidential special adviser on these issues.

Latvia: Birkavs Comments on Relations With Russia

LD2008201696 *Moscow INTERFAX in English 1821 GMT 20 Aug 96*

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] RIGA, Aug 20 (Interfax) — Latvian Foreign Minister Valdis Birkavs has hailed the recent activation of relations between Riga and Moscow.

"The ice seems to have been broken. So far, our activity in relations with Russia has been serious but no adequate reaction on the opposite side has been visible," he told a news conference in Riga Monday.

Birkavs believes that Russia has demonstrated a more active position by inviting Latvian Prime Minister Andris Skele to visit Moscow. The invitation was made last week by Russian Prime Minister Viktor Chernomyrdin.

Russian Foreign Minister Yevgeniy Primakov had also received an invitation to visit Latvia and may come to Riga in September or October, said Birkavs.

He said that relations with Russia are a foreign policy priority for Latvia.

Other important goals of the Latvian foreign policy include a gradual introduction of non-visa travel between the Baltic states and the northern European countries for integration into the European Union and NATO, and the development of mutually profitable economic cooperation with all countries, said Birkavs.

Latvia: Saeima Members Give Note on Chechnya to Russian Embassy

LD2308151996 *Riga Radio Riga Network in Latvian 1300 GMT 23 Aug 96*

[FBIS Translated Text] Aleksandr Rannikh, the Russian ambassador to Latvia, did not receive five Saeima deputies who wished to present today an appeal addressed to Russian President Boris Yeltsin. The letter, signed by 62 Latvian deputies, demands the immediate cessation of the genocide against the Chechen people as well as the withdrawal of Russian troops from Chechnya and the de facto and de jure recognition of its independence. This letter was signed by representatives of all factions except the People's Harmony Party and the socialists.

The Latvian parliamentarians believe that the Russian ambassador's action amounts to flagrant disrespect. The deputies' (?apokasmen and) the letter addressed to Yeltsin were received by the embassy's third secretary.

Many somewhat aggressive demonstrators also gathered at the embassy, calling for an end to the war in Chechnya. Our correspondent [name indistinct] heard the deputies' views:

[Begin recording] [Unidentified speaker, against background of shouting] It is rather like the trip to Moscow of the Latvian SSR parliamentary delegation, when the U.S. Embassy would not receive them. And so it was this time, too, with [Russian Ambassador] Rannikh behaving like this toward us at the Russian Embassy. Anyway, we did get in, and they received us very politely and promised to send to Yeltsin that, that letter. What we need, what is necessary, is for us to start being taken seriously by Russia as an independent state.

[Second unidentified speaker] Was the visit requested in advance?

[First speaker] The visit was requested in advance, and they knew that 62 deputies signed the letter. We asked for a meeting with Mr. Rannikh, but he said he was busy and would not receive us.

[Second speaker] I know that as soon as we got here, I saw how they intended to receive us. I tried to open the door, but the door was blocked and we were simply thrown out! I am ashamed! That sort of reception for Latvian parliamentarians — somewhere in the lobby!

[Third speaker] (This is not just) an insult to Latvian parliamentarians, but it is some kind of [words indistinct] (?campaign) against an independent country, and yet there are 62 of us in the name of the people, submitting this appeal. It is, then, not disrespect toward us, but disrespect toward our country and our people. That is what is shameful!

[Fourth speaker] Russia is showing its attitude — in this case to the Chechen people too, whom we are defending by arriving here.

[Fifth speaker] I think it is normal — a normal attitude for them to express, the attitude they have toward small nations. And I take it all as normal. Like it or not, that is another question, but Russia is simply demonstrating its attitude once more.

[Sixth speaker] When I led the Chechnya group in the last Saeima, the fifth one, then shortly after the attack in December 1994 we also asked for a meeting with Mr. Rannikh, and he received us. And we had a half-an-hour's talk with him. I do not see why he would have changed his attitude so as to leave us in an outer lobby this time. [end recording]

Latvia: Saeima Adopts 'Declaration on Occupation of Latvia'

LD2208190196 Moscow ITAR-TASS in English
1736 GMT 22 Aug 96

[FBIS Transcribed Text] RIGA, August 22 (Itar-Tass) — The Latvian parliament ended its session today, adopting a "Declaration on occupation of Latvia." The draft of the declaration was supplemented by Latvian lawmakers who added one more clause to the Declaration to the effect "that in 1944, Russia illegally annexed part of the Abrenskiy administrative district with a territory of over 2,000 square kilometers." At present, the above-mentioned territory is part of the Pskov region of Russia.

The parliament turned down another amendment suggesting fixed dates of the beginning and end of Latvia's occupation by the Soviet Union — from June 17, 1940 until May 4, 1990. The Latvian MPs explained that if this amendment had been adopted, many laws enacted until the restoration of Latvia's independence in 1990 would have lost legal force since they were adopted at the time of occupation. The lawmakers mentioned the laws on the State Language, State Flag and the Declaration on Restoration of Independence.

The "Declaration on occupation of Latvia" was passed by 76 votes with 10 votes against and no abstentions.

The adopted document has put an equation mark between fascist occupants and servicemen of the Red Army who liberated the republic. In particular, the Declaration expressed concern over the fact that "Russia had not recognized Latvia's occupation by the Soviet Union and does not wish to abide by a peace treaty between Latvia and Russia of August 11, 1920 in which Russia abandoned its claims to the Latvian territory forever."

During the debates on the Declaration only representatives of a socialist faction said that the events of the 1920s should be regarded in the light of pre-war agreements reached between Latvia and the Soviet Union.

Latvia: Ministry on Resolving Russian Occupation Dispute

LD2308190796 Moscow INTERFAX in English
1737 GMT 23 Aug 96

[FBIS Transcribed Text] RIGA, Aug 23 (Interfax) — The issue of the transfer of the Pytalovo district of Russia's Pskov region to Latvia should be resolved by talks, Latvian Foreign Ministry press secretary Rihard Mucins told Interfax on Friday with regard to the Latvian parliament's Thursday declaration on Latvia's occupation.

The declaration reads that part of Latvia's Abrene county (the Latvian name for the Pytalovo district) totalling about 2,000 square meters was "illegally" transferred to the Russian SSR in 1944.

"Latvia is concerned about Russia failing to recognize the fact of Latvia's occupation by the Soviet Union in 1940 and unwilling to base relations on the peace treaty of 1920 under which Russia renounced claims for Latvian territory once and forever," the declaration says.

However, the press secretary said he "cannot so far say whether this document is balanced from the point of view of foreign policy."

The Latvian Foreign Ministry "proceeds from international legal standards under which the fact of Latvia's occupation by the Soviet Union in 1940 is not doubted," he said.

Latvian Foreign Ministry State Secretary Maris Riekstins declined to answer journalists' questions regarding the declaration during a news conference on Friday.

Lithuania

Lithuania: Brazauskas Comments on Ties With Russia

WS2008135696 Tallinn BNS in English
1358 GMT 20 Aug 96

[FBIS Transcribed Text] Vilnius, Aug 20, BNS — Lithuanian president Algirdas Brazauskas believes that the time is ripe for him to visit Russia.

"A meeting of the Lithuanian and Russian presidents would be an important event, facilitating the resolution of concrete issues in Lithuanian-Russian relations," the president said in an interview with the Russian news agency ITAR-TASS in Vilnius.

One of the most important issues for a high-level meeting would be, according to the president, the delimitation of land and sea borders with the Russian exclave of Kaliningrad. In the Lithuanian president's view, delimitation would have a positive effect on bilateral relations and be still another factor for stability and security in the Baltic region.

President Brazauskas noted that he was very satisfied that Russian-Lithuanian relations recently have been considered at international meetings to be exemplary for other countries in the region. This was "a significant contribution to the security of all of Europe."

The Lithuanian head of state also emphasized that Lithuania is seeking to become a full member of Western economic and political structures. "Return to

Europe means a great deal to us. In this fashion, the zone of stability, security and prosperity can be expanded," Brazauskas said.

He also noted that the orientation of Lithuanian foreign policy toward integration in European and transatlantic structures "in no way overshadows the other priority of seeking the expansion of good neighborly and friendly relations with neighboring countries."

Lithuania: Brazauskas Addresses Nation on Economic, Political Issues

WS2108075196 Vilnius ELTA in English
1915 GMT 20 Aug 96

[From "News Bulletin" No. 1079]

[FBIS Transcribed Text] Vilnius, August 20 (ELTA) — Lithuanian President Algirdas Brazauskas addressing Lithuania's people via state TV on Tuesday night said the first stage of privatization was not well-considered. Therefore its use was apparent neither to the state nor to the people.

Brazauskas agreed that state property, partly, had to be given to people for the investment vouchers, according to a general practice of numerous countries being reformed. "However, this distributed part of state property was too large. We made a mistake when large industrial units were privatized for investment vouchers, especially in the sphere of services. These enterprises soon changed their type of activities and people lost numerous services in this sphere," Brazauskas said.

He said that present government came to power at the end of 1992, when about a third of investment vouchers were changed for state property, and new Cabinet could not stop the process of imperfect privatization that started in 1991.

Noting the significance of the second stage of privatization being started now, Brazauskas said he was surprised that some Seimas factions and committees would like to stop the privatization for money.

He also stressed how important was privatization to be done in the energy system. "At present, only 9 percent of gas supply and storage system is privatized in Lithuania, whereas in Estonia this was done for the better half. Estonians now are sure that suppliers owning shares in this system will be interested to supply this fuel," Brazauskas said.

He told that Lithuania, after selling large amount of gas enterprise shares would not be afraid of lacking gas. The suppliers will be interested to pump gas to Lithuania and get a good profit, he said. Now Lithuania is owing to oil and gas supplying companies for gas supplied. And

selling gas enterprises could be a good way out of a complicated situation.

Brazauskas also emphasized that Lithuania has good opportunity to establish Lietuvos Nafta /Lithuania's Oil/ concern, its large part could be privatized later, he added.

President Brazauskas speaking via LTV on Tuesday night backed the idea of referendum on fixing a constant day for parliament election. In his opinion, the best time for Seimas election could be in April; then before summer Cabinet could be formed; it would elaborate state budget and could better solve problems related to preparations for winter season.

Speaking about the amendments to Police Law presently being discussed at Seimas — that Police Commissioner General should be appointed and dismissed by President — Brazauskas said that police should not be subordinate to the Interior Ministry. "We should guarantee that Commissioner General was not replaced after each Seimas election or after each change of the Cabinet," President Brazauskas said on TV.

Lithuania: Parliament Asks Latvia To Delay Ratifying Oil Pacts

WS2108101796 Tallinn BNS in English
0922 GMT 21 Aug 96

[FBIS Transcribed Text] Vilnius, Aug 21, BNS — The Lithuanian parliament Tuesday appealed to Latvian parliamentarians, urging them to postpone ratification of agreements with foreign companies on oil prospecting in a disputed area on the Baltic Sea shelf. 70 MPs voted unanimously in favor of this appeal.

The appeal states that ratification of the licensing agreements with the US and Swedish Amoco and OPAB would deepen the violation of international law and make more difficult Lithuanian-Latvian negotiations on determining the territorial borders and economic zones in the Baltic Sea and on the continental shelf.

Lithuanian parliamentarians expressed the conviction that relations with Latvia should be based on universally recognized norms of international law and stressed the importance of mutual trust between the Baltic countries and their highest governmental institutions.

The Lithuanian ministry of foreign affairs has sharply protested on more than one occasion against Latvia's international agreements on oil prospecting on the Baltic shelf, the ownership of which has not yet been determined, but Riga has ignored these protests.

Lithuania: Foreign Minister on Ties With Latvia, Oil Contracts

WS2208071496 Vilnius ELTA in English
2008 GMT 21 Aug 96

[From "News Bulletin" No.1080]

[FBIS Transcribed Text] Vilnius, August 21 (ELTA) — Lithuania is to take adequate measures against Latvia, if Saeima (parliament) of this state ratifies contracts with AMOCO and OPAB oil companies, such an opinion was expressed by Foreign Minister Povilas Gylys after his consultations with President Algirdas Brazauskas on Wednesday.

He refused to give details about what steps are to be taken by Lithuania, if the contracts were to be ratified. He just said he hoped there would be no such situation.

President took council with Gylys, as well as Justas Paleckis, president's adviser on political issues, and several geology experts of Lithuania about the present situation and oil deposits in the Baltic Sea.

Gylys told journalists and on Tuesday in Riga he met his Latvian counterpart Valdis Birkavs and had talks which lasted about 40 minutes. Both foreign ministers exchanged opinions about the state in relations between Latvia and Lithuania and a course of negotiations on sea border determination.

Moreover, Gylys said he had a telephone conversation with Latvian Premier Andris Skele. Gylys noted he confirmed his attitude on this issue to Latvian side that he opposed ratification of contracts with AMOCO and OPAB. Gylys proposed once more to start negotiations, and he said Latvians very seriously accepted his words. He said the meeting of both state officials could be arranged soon.

"If the next stage of negotiations with Latvians was a step forward, as a rapprochement, then this would be an extraordinary event," Gylys said.

Lithuania: Russia's 'Gazprom' Threatens Price Increase, Supply Cut

WS2008102396 Tallinn BNS in English
1700 GMT 19 Aug 96

[FBIS Transcribed Text] Vilnius, Aug 19, BNS — The Russian gas concern Gazprom has again threatened increasing the gas price for Lithuania if debt payment schedule is not observed.

A telegram sent last Friday, moreover, states that Gazprom intends to reconsider cooperation with Lithuania as of 1997 if debts are not paid. This means that the concern may not sell Lithuania gas altogether.

The Gazprom directors' telegram sent a warning to Lithuanian premier Mindaugas Stankevicius, energy minister Saulius Kutas and the Lietuvos Dujos gas company general director Kestutis Sumacheris.

The telegram says that if debts are not paid, the price of gas sold to the Stella Vitae intermediary company will be raised as of September 1. Lietuvos Dujos gas company has not been buying raw materials directly from Gazprom since mid-February.

This is not the first such threat to Lithuania this year. At the end of March, the directors of Gazprom reported to president Algirdas Brazauskas of their intention to cut off gas supplies if 12 million USD in debts were not paid.

At the beginning of June, the directors of Gazprom, without waiting until the July 1 deadline in the debt payment schedule, announced they were increasing the price of gas to 78 USD for 1000 cubic meters.

Energy minister Kutas told BNS that the entire 7 million USD, promised to Gazprom in July, had not yet been paid. In August, according to the schedule signed by the minister, Lithuania must pay another 8 million USD, which it has also not yet done.

Kutas said that he is determined to carry out his obligations. "We are actively working in this direction," he stated.

Lietuvos Dujos director Sumacheris believes that this is "another regular threat," although, he says, it is necessary to react.

On Tuesday, a consultation on this issue has been called together by premier Stankevicius. Immediately thereafter, an answer will be sent to Gazprom directors.

Lithuania: Steps Taken To Pay Debt to 'Gazprom'
WS2108075696 Tallinn BNS in English
1712 GMT 20 Aug 96

[FBIS Transcribed Text] Vilnius, Aug 20, BNS — Lithuanian prime minister Mindaugas Stankevicius has empowered the finance and energy ministers to seek the possibility of paying debts to Russian gas supplier Gazprom on time.

On Tuesday, Stankevicius called together a consultation at which the finance and energy ministers participated, along with the directors of Lietuvos Energija and Lietuvos Dujos gas company.

As reported, the directors of Gazprom have warned the Lithuanian administration, energy minister and Lietuvos Dujos gas company that if they do not keep to the schedule for returning debts, the price of gas will be increased as of September 1, and that as of next year gas supplies to Lithuania may be cut off altogether.

The energy ministry in July committed itself to returning Gazprom 7 million USD and in August 8 million USD, but until now only a part of the debt has been returned. Before the heating season begins, Lithuania must return 31.7 million USD.

BNS was told by Lietuvos Dujos director general Kestutis Sumacheris that the premier had approved extending government guarantees to the Swiss Union Bank, which promises to extend two loans of 10 million USD each for Lithuania's energy sector. This money would be used to pay debts to Gazprom.

Lithuania: Ten Parliamentarians Quit Democratic Party of Labor

LD2308131696 Moscow ITAR-TASS in English
1250 GMT 23 Aug 96

[By Vladas Burbulis]

[FBIS Transcribed Text] VILNIUS, August 23 (Itar-Tass) — The parliamentary group of Lithuania's ruling Democratic Party of Labour began to dissolve. Vytautas Astrauskas, Dr. of Medicine, today announced that he quits the faction.

He is the tenth MP to do so in the runup to the elections to the Seimas to be held on October 20.

Explaining his motivation for leaving the parliamentary group, Astrauskas told reporters that he disagreed with the attitude of the party's leadership which had not condemned the activity of the party's former leader and Premier Adolfas Slezevicius.

Regarding Slezevicius's dismissal from the posts of premier and leader of the Democratic Party of Labour six months ago, Astrauskas said that the party's Council and presidium, defying the majority of party members, proposed that Slezevicius, notorious for his financial machinations, keep all his posts, and it is only the president's intervention that resulted in Slezevicius's firing.

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